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House of Representatives

The House met at 10 a.m.

The Reverend Thomas A. Kuhn, Church of the Incarnation, Centerville, Ohio, offered the following prayer:

Father in heaven, we are amazed at the many blessings You have given to us as a people. You love us so much that we are moved to call ourselves ''One Nation under God.''

We know, however, that we are blessed so that we can be a reflection of Your love in this world. You made us a mighty Nation. May we always be gentle enough to lift up the fallen and ready always to protect those who are unable to defend themselves.

You made us a bountiful Nation. May we always share those blessings with the hungry, the homeless, those unable to care for themselves.

You gave all your children true freedom. May we always work to ensure that none of our brothers or sisters is enslaved by bigotry or prejudice.

We pray in a special way for those of your children who daily must face the terrors of war. Help those refugees of war that they may soon return to their homes in peace.

Much of what we are as a Nation has been entrusted to the Members of the People's House, the House of Representatives. Give them the vision and strength to work for the good of all people. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas (Mr. GREEN) come forward and lead the House in the Pledge of Allegiance.

Mr. GREEN of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

THE PASSING OF HIS EMINENCE, JOHN CARDINAL O'CONNOR

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, it is with deep regret that I rise to honor an outstanding American, one who I was especially pleased and honored to call a friend.

His Eminence John Cardinal O'Connor's accomplishments as a priest, as a chaplain, as a humanitarian made him one of the most respected Americans of our time.

In my congressional district in New York, Cardinal O'Connor was always on hand for school graduations, for cornerstone dedications, for religious services with his message of hope. He was known for promoting racial and religious harmony and for advocating the best education possible for the children, regardless of race, religion or financial status.

We must not forget that Cardinal O'Connor welcomed AIDS patients into the Catholic hospitals of New York back at a time when other institutions of medicine were turning them away. He ministered to the sick, to the disabled, and was a great friend of the poor.

All Americans join in expressing condolences to the residents of the New York Archdiocese, to Cardinal O'Connor's family and friends, and to all who were touched by this remarkable individual.

THE PASSING OF JOHN CARDINAL O'CONNOR

(Mr. CROWLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROWLEY. Mr. Speaker, I too rise with a heavy heart this morning to express my profound sorrow at the passing of John Cardinal O'Connor.

As the leader of the largest archdiocese in the Nation, Cardinal O'Connor was an active participant in the debate about the role of the church and the role of society in helping those who could not help themselves.

The Cardinal embodied the biblical passage of the Good Samaritan. In both his words and actions, Cardinal O'Connor demonstrated his devotion to the teachings of Christ and the spirit and principles of that passage.

He not only used his pulpit to teach the words of Christ, but also the true meaning of those words.

The Cardinal has stated recently that he would like his epitaph to simply say that he was ''a good priest.'' What an understatement. He certainly was.

Mr. Speaker, may God bless him as he returns to the comforting arms of God for eternal salvation and peace.

CARDINAL O'CONNOR: EARTH'S LOSS, HEAVEN'S GAIN

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, Cardinal O'Connor of New York, a man after God's own heart and one of the greatest and most consistent moral and spiritual leaders of the 20th century, has passed away.

Cardinal O'Connor loved unconditionally and gave generously, expecting nothing in return. He proclaimed and demonstrated by his words, works, and actions the indescribable blessings of the gospel.

Cardinal O'Connor was a good and holy priest who radiated Christ and the healing power of God to believers and nonbelievers alike.

Over the years, there were some who mocked and rejected Cardinal O'Connor's clear Christian teaching on the sanctity of all human life and the duty of all men and women of goodwill, especially politicians, to protect the vulnerable from the violence of abortion. Yet he always treated the opponents of his message with respect and dignity.

Mr. Speaker, in the 25th chapter of Matthew's Gospel Jesus spoke of the last judgment and those, like Cardinal O'Connor, who would be blessed in eternity. Jesus said, '''For I was hungry and you gave me food; I was thirsty and you gave me drink; I was a stranger and you took me in; I was naked and you clothed me; I was in prison and you came to me.' And then the righteous will answer him, saying, 'Lord, when did we see you hungry and feed you, or thirsty and give you drink? When did we see you a stranger and take you in, or naked and clothe you? Or when did we see you sick, or in prison, and come to you?' And the Lord will answer and say to them, 'Assuredly, I say to you, inasmuch as you did it to the least of my brethren, you did it to Me.'''

Mr. Speaker, Cardinal O'Connor devoted his life and inspired countless others to do the same to help the ''least,'' the disenfranchised, and the unwanted seeing Christ himself in the lives that nobody else cared about or wanted. Earth's loss of Cardinal O'Connor is heaven's gain.

THE PROBLEM OF SPAM E-MAIL

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, all of us share in the loss of Cardinal O'Connor, even though we are not from New York.

Mr. Speaker, last evening, the House of Representatives was spammed. Spam is unsolicited e-mail that can be sent in such a large volume that it disables the recipient's network. I am sure my colleagues have read recent news reports of companies like e-Bay and Amazon.com having their networks taken down by coordinated e-mail attacks.

This is a growing problem that Congress needs to quickly address. I have introduced H.R. 3113, along with the gentlewoman from New Mexico (Mrs. WILSON), that will provide consumers and businesses protection against these types of attacks.

Mr. Speaker, many of the messages the House received last night simply were titled ''I love you.'' And I know that all of us in the House and our staff enjoy looking at our computers in the morning and seeing ''I love you.'' Apart from the interesting title, there is nothing friendly in this message. If we opened this e-mail, our computer would be infected by a virus that we would then have to spend considerable time and effort removing from our network.

The Subcommittee on Telecommunications, Trade and Consumer Protection of the Committee on Commerce has held a markup on anti-spam legislation, and it passed the subcommittee by voice vote. I hope this incident will bring a quick full-committee mark-up.

Mr. Speaker, I remind my colleagues not to open any messages, even though they say ''I love you.'' This may be the second time our House has been spammed, but I feel fairly certain that it will not be the last. Let us pass H.R. 3113.

FUGITIVE SLAVE LAW AND CUBA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the Mason Dixon Line is the southern border of my district. For decades in the 19th century, the citizen of my district helped slaves escape to freedom aboard the Underground Railroad, and every person who did so, committed a Federal crime.

In 1793, Congress passed the Fugitive Slave Law, and any person who helped a slave escape was fined and jailed.

Mr. Speaker, Cuba is a slave state. It is not a Communist theme park. The people who live there have no freedoms. Parents have no rights. Children are the property of the government.

More than a decade after the fall of the Berlin Wall which brought elements of freedom to the rest of the Communist bloc, only the likes of North Korea and Cuba persist in persecuting their people, espousing revolution, and exporting terrorism.

In America we believe in freedom. Every war we have ever fought was fought for freedom, and no one knows the price or value of freedom better than ex-slaves, and no one can describe what a slave state is like better than ex-slaves, not tourists.

If Juan Miguel Gonzalez was not being guarded by dozens of Cuban officials and police, if his parents were not under house arrest and his 6-year-old son were not being held, he would probably say the same.

As the gentleman from Oklahoma (Mr. WATTS), the Republican Conference chairman, said, ''If you and your child were enslaved, and there was only one ticket left on the Underground Railroad . . . wouldn't you want your child to have it?''

CONFERENCE REPORT ON H.R. 434, TRADE AND DEVELOPMENT ACT OF 2000

Mr. ROYCE submitted the following conference report and statement on the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa:

CONFERENCE REPORT (H. REPT. 106–606)

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 434), to authorize a new trade and investment policy for sub-Sahara Africa, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Trade and Development Act of 2000''.

(b) TABLE OF CONTENTS.—

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

SEC. 101. SHORT TITLE.

This title may be cited as the ''African Growth and Opportunity Act''.

SEC. 102. FINDINGS.

Congress finds that—

(1) it is in the mutual interest of the United States and the countries of sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa;

(2) the 48 countries of sub-Saharan Africa form a region richly endowed with both natural and human resources;

(3) sub-Saharan Africa represents a region of enormous economic potential and of enduring political significance to the United States;

(4) the region has experienced the strengthening of democracy as countries in sub-Saharan Africa have taken steps to encourage broader participation in the political process;

(5) certain countries in sub-Saharan Africa have increased their economic growth rates, taken significant steps towards liberalizing their economies, and made progress toward regional economic integration that can have positive benefits for the region;

(6) despite those gains, the per capita income in sub-Saharan Africa averages approximately $500 annually;

(7) trade and investment, as the American experience has shown, can represent powerful tools both for economic development and for encouraging broader participation in a political process in which political freedom can flourish;

(8) increased trade and investment flows have the greatest impact in an economic environment in which trading partners eliminate barriers to trade and capital flows and encourage the development of a vibrant private sector that offers individual African citizens the freedom to expand their economic opportunities and provide for their families;

(9) offering the countries of sub-Saharan Africa enhanced trade preferences will encourage both higher levels of trade and direct investment in support of the positive economic and political developments under way throughout the region; and

(10) encouraging the reciprocal reduction of trade and investment barriers in Africa will enhance the benefits of trade and investment for the region as well as enhance commercial and political ties between the United States and sub-Saharan Africa.

SEC. 103. STATEMENT OF POLICY.

Congress supports—

(1) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(2) reducing tariff and nontariff barriers and other obstacles to sub-Saharan African and United States trade;

(3) expanding United States assistance to sub-Saharan Africa's regional integration efforts;

(4) negotiating reciprocal and mutually beneficial trade agreements, including the possibility of establishing free trade areas that serve the interests of both the United States and the countries of sub-Saharan Africa;

(5) focusing on countries committed to the rule of law, economic reform, and the eradication of poverty;

(6) strengthening and expanding the private sector in sub-Saharan Africa, especially enterprises owned by women and small businesses;

(7) facilitating the development of civil societies and political freedom in sub-Saharan Africa;

(8) establishing a United States-Sub-Saharan Africa Trade and Economic Cooperation Forum; and

(9) the accession of the countries in sub-Saharan Africa to the Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

SEC. 104. ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—The President is authorized to designate a sub-Saharan African country as an eligible sub-Saharan African country if the President determines that the country—

(1) has established, or is making continual progress toward establishing—

(A) a market-based economy that protects private property rights, incorporates an open rules-based trading system, and minimizes government interference in the economy through measures such as price controls, subsidies, and government ownership of economic assets;

(B) the rule of law, political pluralism, and the right to due process, a fair trial, and equal protection under the law;

(C) the elimination of barriers to United States trade and investment, including by—

(i) the provision of national treatment and measures to create an environment conducive to domestic and foreign investment;

(ii) the protection of intellectual property; and

(iii) the resolution of bilateral trade and investment disputes;

(D) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, promote the development of private enterprise, and encourage the formation of capital markets through micro-credit or other programs;

(E) a system to combat corruption and bribery, such as signing and implementing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; and

(F) protection of internationally recognized worker rights, including the right of association, the right to organize and bargain collectively, a prohibition on the use of any form of forced or compulsory labor, a minimum age for the employment of children, and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

(2) does not engage in activities that undermine United States national security or foreign policy interests; and

(3) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities.

(b) CONTINUING COMPLIANCE.—If the President determines that an eligible sub-Saharan African country is not making continual progress in meeting the requirements described in subsection (a)(1), the President shall terminate the designation of the country made pursuant to subsection (a).

SEC. 105. UNITED STATES-SUB-SAHARAN AFRICA TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual high-level meetings between appropriate officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of the enactment of this Act, the President, after consulting with Congress and the governments concerned, shall establish a United States-Sub-Saharan Africa Trade and Economic Cooperation Forum (in this section referred to as the ''Forum'').

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to host the first annual meeting with their counterparts from the governments of sub-Saharan African countries eligible under section 104, and those sub-Saharan African countries that the President determines are taking substantial positive steps towards meeting the eligibility requirements in section 104. The purpose of the meeting shall be to discuss expanding trade and investment relations between the United States and sub-Saharan Africa and the implementation of this title including encouraging joint ventures between small and large businesses. The President shall also direct the Secretaries and the United States Trade Representative to invite to the meeting representatives from appropriate sub-Saharan African regional organizations and government officials from other appropriate countries in sub-Saharan Africa.

(2)(A) The President, in consultation with the Congress, shall encourage United States nongovernmental organizations to host annual meetings with nongovernmental organizations from sub-Saharan Africa in conjunction with the annual meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) The President, in consultation with the Congress, shall encourage United States representatives of the private sector to host annual meetings with representatives of the private sector from sub-Saharan Africa in conjunction with the annual meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) The President shall, to the extent practicable, meet with the heads of governments of sub-Saharan African countries eligible under

section 104, and those sub-Saharan African countries that the President determines are taking substantial positive steps toward meeting the eligibility requirements in section 104, not less than once every 2 years for the purpose of discussing the issues described in paragraph (1). The first such meeting should take place not later than 12 months after the date of the enactment of this Act.

(d) DISSEMINATION OF INFORMATION BY USIS.—In order to assist in carrying out the purposes of the Forum, the United States Information Service shall disseminate regularly, through multiple media, economic information in support of the free market economic reforms described in this title.

(e) HIV/AIDS EFFECT ON THE SUB-SAHARAN AFRICAN WORKFORCE.—In selecting issues of common interest to the United States-Sub-Saharan Africa Trade and Economic Cooperation Forum, the President shall instruct the United States delegates to the Forum to promote a review by the Forum of the HIV/AIDS epidemic in each sub-Saharan African country and the effect of the HIV/AIDS epidemic on economic development in each country.

SEC. 106. REPORTING REQUIREMENT.

The President shall submit to the Congress, not later than 1 year after the date of the enactment of this Act, and annually thereafter through 2008, a comprehensive report on the trade and investment policy of the United States for sub-Saharan Africa, and on the implementation of this title and the amendments made by this title.

SEC. 107. SUB-SAHARAN AFRICA DEFINED.

For purposes of this title, the terms ''sub-Saharan Africa'', ''sub-Saharan African country'', ''country in sub-Saharan Africa'', and ''countries in sub-Saharan Africa'' refer to the following or any successor political entities:

Republic of Angola (Angola).
Republic of Benin (Benin).
Republic of Botswana (Botswana).
Burkina Faso (Burkina).
Republic of Burundi (Burundi).
Republic of Cameroon (Cameroon).
Republic of Cape Verde (Cape Verde).
Central African Republic.
Republic of Chad (Chad).
Federal Islamic Republic of the Comoros (Comoros).
Democratic Republic of Congo.
Republic of the Congo (Congo).
Republic of Cote d'Ivoire (Cote d'Ivoire).
Republic of Djibouti (Djibouti).
Republic of Equatorial Guinea (Equatorial Guinea).
State of Eritrea (Eritrea).
Ethiopia.
Gabonese Republic (Gabon).
Republic of the Gambia (Gambia).
Republic of Ghana (Ghana).
Republic of Guinea (Guinea).
Republic of Guinea-Bissau (Guinea-Bissau).
Republic of Kenya (Kenya).
Kingdom of Lesotho (Lesotho).
Republic of Liberia (Liberia).
Republic of Madagascar (Madagascar).
Republic of Malawi (Malawi).
Republic of Mali (Mali).
Islamic Republic of Mauritania (Mauritania).
Republic of Mauritius (Mauritius).
Republic of Mozambique (Mozambique).
Republic of Namibia (Namibia).
Republic of Niger (Niger).
Federal Republic of Nigeria (Nigeria).
Republic of Rwanda (Rwanda).
Democratic Republic of Sao Tome and Principe (Sao Tome and Principe).
Republic of Senegal (Senegal).
Republic of Seychelles (Seychelles).
Republic of Sierra Leone (Sierra Leone).
Somalia.
Republic of South Africa (South Africa).
Republic of Sudan (Sudan).
Kingdom of Swaziland (Swaziland).
United Republic of Tanzania (Tanzania).
Republic of Togo (Togo).
Republic of Uganda (Uganda).
Republic of Zambia (Zambia).
Republic of Zimbabwe (Zimbabwe).

Subtitle B—Trade Benefits

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) IN GENERAL.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

''SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

''(a) AUTHORITY TO DESIGNATE.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 107 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b)—

''(A) if the President determines that the country meets the eligibility requirements set forth in section 104 of that Act, as such requirements are in effect on the date of enactment of that Act; and

''(B) subject to the authority granted to the President under subsections (a), (d), and (e) of section 502, if the country otherwise meets the eligibility criteria set forth in section 502.

''(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor, review, and report to Congress annually on the progress of each country listed in section 107 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of this section. The President's determinations, and explanations of such determinations, with specific analysis of the eligibility requirements described in paragraph (1)(A), shall be included in the annual report required by section 106 of the African Growth and Opportunity Act.

''(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

''(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

''(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1)(B) through (G) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

''(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

''(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

''(B) the cost or value of the materials included with respect to that article that are produced in 1 or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 107 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.''.

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

''(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.''.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) PREFERENTIAL TREATMENT.—Textile and apparel articles described in subsection (b) that are imported directly into the customs territory of the United States from a beneficiary sub-Saharan African country described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations in accordance with the provisions set forth in subsection (b), if the country has satisfied the requirements set forth in section 113.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in 1 or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States, that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were embroidered or subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, screen printing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in 1 or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in 1 or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) APPAREL ARTICLES ASSEMBLED FROM REGIONAL AND OTHER FABRIC.—Apparel articles wholly assembled in 1 or more beneficiary sub-Saharan African countries from fabric wholly formed in 1 or more beneficiary sub-Saharan African countries from yarn originating either in the United States or 1 or more beneficiary sub-Saharan African countries, subject to the following:

(A) LIMITATIONS ON BENEFITS.—

(i) IN GENERAL.—Preferential treatment under this paragraph shall be extended in the 1-year period beginning on October 1, 2000, and in each of the 7 succeeding 1-year periods, to imports of apparel articles in an amount not to exceed the applicable percentage of the aggregate square meter equivalents of all apparel articles imported into the United States in the preceding 12-month period for which data are available.

(ii) APPLICABLE PERCENTAGE.—For purposes of this subparagraph, the term ''applicable percentage'' means 1.5 percent for the 1-year period beginning October 1, 2000, increased in each of

the seven succeeding 1-year periods by equal increments, so that for the period beginning October 1, 2007, the applicable percentage does not exceed 3.5 percent.

(B) SPECIAL RULE FOR LESSER DEVELOPED COUNTRIES.—

(i) IN GENERAL.—Subject to subparagraph (A), preferential treatment shall be extended through September 30, 2004, for apparel articles wholly assembled in 1 or more lesser developed beneficiary sub-Saharan African countries regardless of the country of origin of the fabric used to make such articles.

(ii) LESSER DEVELOPED BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY.—For purposes of this subparagraph the term ''lesser developed beneficiary sub-Saharan African country'' means a beneficiary sub-Saharan African country that had a per capita gross national product of less than $1,500 a year in 1998, as measured by the World Bank.

(C) SURGE MECHANISM.—

(i) IMPORT MONITORING.—The Secretary of Commerce shall monitor imports of articles described in this paragraph on a monthly basis to determine if there has been a surge in imports of such articles. In order to permit public access to preliminary international trade data and to facilitate the early identification of potentially disruptive import surges, the Director of the Office of Management and Budget may grant an exception to the publication dates established for the release of data on United States international trade in covered articles, if the Director notifies Congress of the early release of the data.

(ii) DETERMINATION OF DAMAGE OR THREAT THEREOF.—Whenever the Secretary of Commerce determines, based on the data described in clause (i), or pursuant to a written request made by an interested party, that there has been a surge in imports of an article described in this paragraph from a beneficiary sub-Saharan African country, the Secretary shall determine whether such article from such country is being imported in such increased quantities as to cause serious damage, or threat thereof, to the domestic industry producing a like or directly competitive article. If the Secretary's determination is affirmative, the President shall suspend the duty-free treatment provided for such article under this paragraph. If the inquiry is initiated at the request of an interested party, the Secretary shall make the determination within 60 days after the date of the request.

(iii) FACTORS TO CONSIDER.—In determining whether a domestic industry has been seriously damaged, or is threatened with serious damage, the Secretary shall examine the effect of the imports on relevant economic indicators such as domestic production, sales, market share, capacity utilization, inventories, employment, profits, exports, prices, and investment.

(iv) PROCEDURE.—

(I) INITIATION.—The Secretary of Commerce shall initiate an inquiry within 10 days after receiving a written request and supporting information for an inquiry from an interested party. Notice of initiation of an inquiry shall be published in the Federal Register.

(II) PARTICIPATION BY INTERESTED PARTIES.—The Secretary of Commerce shall establish procedures to ensure participation in the inquiry by interested parties.

(III) NOTICE OF DETERMINATION.—The Secretary shall publish the determination described in clause (ii) in the Federal Register.

(IV) INFORMATION AVAILABLE.—If relevant information is not available on the record or any party withholds information that has been requested by the Secretary, the Secretary shall make the determination on the basis of the facts available. When the Secretary relies on information submitted in the inquiry as facts available, the Secretary shall, to the extent practicable, corroborate the information from independent sources that are reasonably available to the Secretary.

(v) INTERESTED PARTY.—For purposes of this subparagraph, the term ''interested party'' means any producer of a like or directly competitive article, a certified union or recognized union or group of workers which is representative of an industry engaged in the manufacture, production, or sale in the United States of a like or directly competitive article, a trade or business association representing producers or sellers of like or directly competitive articles, producers engaged in the production of essential inputs for like or directly competitive articles, a certified union or group of workers which is representative of an industry engaged in the manufacture, production, or sale of essential inputs for the like or directly competitive article, or a trade or business association representing companies engaged in the manufacture, production or sale of such essential inputs.

(4) SWEATERS KNIT-TO-SHAPE FROM CASHMERE OR MERINO WOOL.—

(A) CASHMERE.—Sweaters, in chief weight of cashmere, knit-to-shape in 1 or more beneficiary sub-Saharan African countries and classifiable under subheading 6110.10 of the Harmonized Tariff Schedule of the United States.

(B) MERINO WOOL.—Sweaters, 50 percent or more by weight of wool measuring 18.5 microns in diameter or finer, knit-to-shape in 1 or more beneficiary sub-Saharan African countries.

(5) APPAREL ARTICLES WHOLLY ASSEMBLED FROM FABRIC OR YARN NOT AVAILABLE IN COMMERCIAL QUANTITIES IN THE UNITED STATES.—

(A) IN GENERAL.—Apparel articles that are both cut (or knit-to-shape) and sewn or otherwise assembled in 1 or more beneficiary sub-Saharan African countries, from fabric or yarn that is not formed in the United States or a beneficiary sub-Saharan African country, to the extent that such fabrics or yarns would be eligible for preferential treatment, without regard to the source of the fabric or yarn, under Annex 401 to the NAFTA.

(B) ADDITIONAL APPAREL ARTICLES.—At the request of any interested party and subject to the following requirements, the President is authorized to proclaim the treatment provided under subparagraph (A) for yarns or fabrics not described in subparagraph (A) if—

(i) the President determines that such yarns or fabrics cannot be supplied by the domestic industry in commercial quantities in a timely manner;

(ii) the President has obtained advice regarding the proposed action from the appropriate advisory committee established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) and the United States International Trade Commission;

(iii) within 60 calendar days after the request, the President has submitted a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth—

(I) the action proposed to be proclaimed and the reasons for such action; and

(II) the advice obtained under clause (ii);

(iv) a period of 60 calendar days, beginning with the first day on which the President has met the requirements of subclauses (I) and (II) of clause (iii), has expired; and

(v) the President has consulted with such committees regarding the proposed action during the period referred to in clause (iii).

(6) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore articles.

(c) TREATMENT OF QUOTAS ON TEXTILE AND APPAREL IMPORTS FROM KENYA AND MAURITIUS.—The President shall eliminate the existing quotas on textile and apparel articles imported into the United States—

(1) from Kenya within 30 days after that country adopts an effective visa system to prevent unlawful transshipment of textile and apparel articles and the use of counterfeit documents relating to the importation of the articles into the United States; and

(2) from Mauritius within 30 days after that country adopts such a visa system.

The Customs Service shall provide the necessary technical assistance to Kenya and Mauritius in the development and implementation of the visa systems.

(d) SPECIAL RULES.—

(1) FINDINGS AND TRIMMINGS.—

(A) GENERAL RULE.—An article otherwise eligible for preferential treatment under this section shall not be ineligible for such treatment because the article contains findings or trimmings of foreign origin, if the value of such findings and trimmings do not exceed 25 percent of the cost of the components of the assembled article. Examples of findings and trimmings are sewing thread, hooks and eyes, snaps, buttons, 'bow buds', decorative lace trim, elastic strips, and zippers, including zipper tapes and labels. Elastic strips are considered findings or trimmings only if they are each less than 1 inch in width and used in the production of brassieres.

(B) CERTAIN INTERLININGS.—

(i) GENERAL RULE.—An article otherwise eligible for preferential treatment under this section shall not be ineligible for such treatment because the article contains certain interlinings of foreign origin, if the value of such interlinings (and any findings and trimmings) does not exceed 25 percent of the cost of the components of the assembled article.

(ii) INTERLININGS DESCRIBED.—Interlinings eligible for the treatment described in clause (i) include only a chest type plate, a ''hymo'' piece, or ''sleeve header'', of woven or weft-inserted warp knit construction and of coarse animal hair or man-made filaments.

(iii) TERMINATION OF TREATMENT.—The treatment described in this subparagraph shall terminate if the President makes a determination that United States manufacturers are producing such interlinings in the United States in commercial quantities.

(C) EXCEPTION.—In the case of an article described in subsection (b)(2), sewing thread shall not be treated as findings or trimmings under subparagraph (A).

(2) DE MINIMIS RULE.—An article otherwise eligible for preferential treatment under this section shall not be ineligible for such treatment because the article contains fibers or yarns not wholly formed in the United States or 1 or more beneficiary sub-Saharan African countries if the total weight of all such fibers and yarns is not more than 7 percent of the total weight of the article.

(e) DEFINITIONS.—In this section and section 113:

(1) AGREEMENT ON TEXTILES AND CLOTHING.—The term ''Agreement on Textiles and Clothing'' means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(2) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY, ETC.—The terms ''beneficiary sub-Saharan African country'' and ''beneficiary sub-Saharan African countries'' have the same meaning as such terms have under section 506A(c) of the Trade Act of 1974.

(3) NAFTA.—The term ''NAFTA'' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

(f) EFFECTIVE DATE.—This section takes effect on October 1, 2000, and shall remain in effect through September 30, 2008.

SEC. 113. PROTECTIONS AGAINST TRANSSHIPMENT.

(a) PREFERENTIAL TREATMENT CONDITIONED ON ENFORCEMENT MEASURES.—

(1) IN GENERAL.—The preferential treatment under section 112(a) shall not be provided to textile and apparel articles that are imported from a beneficiary sub-Saharan African country unless that country—

(A) has adopted an effective visa system, domestic laws, and enforcement procedures applicable to covered articles to prevent unlawful transshipment of the articles and the use of counterfeit documents relating to the importation of the articles into the United States;

(B) has enacted legislation or promulgated regulations that would permit United States Customs Service verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country;

(C) agrees to report, on a timely basis, at the request of the United States Customs Service, on the total exports from and imports into that country of covered articles, consistent with the manner in which the records are kept by that country;

(D) will cooperate fully with the United States to address and take action necessary to prevent circumvention as provided in Article 5 of the Agreement on Textiles and Clothing;

(E) agrees to require all producers and exporters of covered articles in that country to maintain complete records of the production and the export of covered articles, including materials used in the production, for at least 2 years after the production or export (as the case may be); and

(F) agrees to report, on a timely basis, at the request of the United States Customs Service, documentation establishing the country of origin of covered articles as used by that country in implementing an effective visa system.

(2) COUNTRY OF ORIGIN DOCUMENTATION.—For purposes of paragraph (1)(F), documentation regarding the country of origin of the covered articles includes documentation such as production records, information relating to the place of production, the number and identification of the types of machinery used in production, the number of workers employed in production, and certification from both the manufacturer and the exporter.

(b) CUSTOMS PROCEDURES AND ENFORCEMENT.—

(1) IN GENERAL.—

(A) REGULATIONS.—Any importer that claims preferential treatment under section 112 shall comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented pursuant to United States law, in accordance with regulations promulgated by the Secretary of the Treasury.

(B) DETERMINATION.—

(i) IN GENERAL.—In order to qualify for the preferential treatment under section 112 and for a Certificate of Origin to be valid with respect to any article for which such treatment is claimed, there shall be in effect a determination by the President that each country described in clause (ii)—

(I) has implemented and follows, or

(II) is making substantial progress toward implementing and following,

procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA.

(ii) COUNTRY DESCRIBED.—A country is described in this clause if it is a beneficiary sub-Saharan African country—

(I) from which the article is exported, or

(II) in which materials used in the production of the article originate or in which the article or such materials, undergo production that contributes to a claim that the article is eligible for preferential treatment.

(2) CERTIFICATE OF ORIGIN.—The Certificate of Origin that otherwise would be required pursuant to the provisions of paragraph (1) shall not be required in the case of an article imported under section 112 if such Certificate of Origin would not be required under Article 503 of the NAFTA (as implemented pursuant to United States law), if the article were imported from Mexico.

(3) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment as defined in paragraph (4), then the President shall deny for a period of 5 years all benefits under section 112 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter.

(4) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subsection has occurred when preferential treatment for a textile or apparel article under this Act has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this paragraph, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under section 112.

(5) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to Congress, not later than March 31 of each year, a report on the effectiveness of the visa systems and the implementation of legislation and regulations described in subsection (a) and on measures taken by countries in sub-Saharan Africa which export textiles or apparel to the United States to prevent circumvention as described in Article 5 of the Agreement on Textiles and Clothing.

(c) CUSTOMS SERVICE ENFORCEMENT.—The Customs Service shall—

(1) make available technical assistance to the beneficiary sub-Saharan African countries—

(A) in the development and implementation of visa systems, legislation, and regulations described in subsection (a)(1)(A); and

(B) to train their officials in anti-transshipment enforcement;

(2) send production verification teams to at least 4 beneficiary sub-Saharan African countries each year; and

(3) to the extent feasible, place beneficiary sub-Saharan African countries on the Electronic Visa (ELVIS) program.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsection (c) the sum of $5,894,913.

SEC. 114. TERMINATION.

Title V of the Trade Act of 1974 is amended by inserting after section 506A the following new section:

"SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

''In the case of a beneficiary sub-Saharan African country, as defined in section 506A(c), duty-free treatment provided under this title shall remain in effect through September 30, 2008.''.

SEC. 115. CLERICAL AMENDMENTS.

The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 506 the following new items:

''Sec. 506A. Designation of sub-Saharan African countries for certain benefits.

''Sec. 506B. Termination of benefits for sub-Saharan African countries.''.

SEC. 116. FREE TRADE AGREEMENTS WITH SUB-SAHARAN AFRICAN COUNTRIES.

(a) DECLARATION OF POLICY.—Congress declares that free trade agreements should be negotiated, where feasible, with interested countries in sub-Saharan Africa, in order to serve as the catalyst for increasing trade between the United States and sub-Saharan Africa and increasing private sector investment in sub-Saharan Africa.

(b) PLAN REQUIREMENT.—

(1) IN GENERAL.—The President, taking into account the provisions of the treaty establishing the African Economic Community and the willingness of the governments of sub-Saharan African countries to engage in negotiations to enter into free trade agreements, shall develop a plan for the purpose of negotiating and entering into 1 or more trade agreements with interested beneficiary sub-Saharan African countries.

(2) ELEMENTS OF PLAN.—The plan shall include the following:

(A) The specific objectives of the United States with respect to negotiations described in paragraph (1) and a suggested timetable for achieving those objectives.

(B) The benefits to both the United States and the relevant sub-Saharan African countries with respect to the applicable free trade agreement or agreements.

(C) A mutually agreed-upon timetable for the negotiations.

(D) The implications for and the role of regional and sub-regional organizations in sub-Saharan Africa with respect to such free trade agreement or agreements.

(E) Subject matter anticipated to be covered by the negotiations and United States laws, programs, and policies, as well as the laws of participating eligible African countries and existing bilateral and multilateral and economic cooperation and trade agreements, that may be affected by the agreement or agreements.

(F) Procedures to ensure the following:

(i) Adequate consultation with the Congress and the private sector during the negotiations.

(ii) Consultation with the Congress regarding all matters relating to implementation of the agreement or agreements.

(iii) Approval by the Congress of the agreement or agreements.

(iv) Adequate consultations with the relevant African governments and African regional and subregional intergovernmental organizations during the negotiation of the agreement or agreements.

(c) REPORTING REQUIREMENT.—Not later than 12 months after the date of the enactment of this Act, the President shall prepare and transmit to the Congress a report containing the plan developed pursuant to subsection (b).

SEC. 117. ASSISTANT UNITED STATES TRADE REPRESENTATIVE FOR AFRICAN AFFAIRS.

It is the sense of the Congress that—

(1) the position of Assistant United States Trade Representative for African Affairs is integral to the United States commitment to increasing United States-sub-Saharan African trade and investment;

(2) the position of Assistant United States Trade Representative for African Affairs should be maintained within the Office of the United States Trade Representative to direct and coordinate interagency activities on United States-Africa trade policy and investment matters and serve as—

(A) a primary point of contact in the executive branch for those persons engaged in trade between the United States and sub-Saharan Africa; and

(B) the chief advisor to the United States Trade Representative on issues of trade and investment with Africa; and

(3) the United States Trade Representative should have adequate funding and staff to carry out the duties of the Assistant United States Trade Representative for African Affairs described in paragraph (2), subject to the availability of appropriations.

Subtitle C—Economic Development Related Issues

SEC. 121. SENSE OF CONGRESS REGARDING COMPREHENSIVE DEBT RELIEF FOR THE WORLD'S POOREST COUNTRIES.

(a) FINDINGS.—Congress makes the following findings:

(1) The burden of external debt has become a major impediment to economic growth and poverty reduction in many of the world's poorest countries.

(2) Until recently, the United States Government and other official creditors sought to address this problem by rescheduling loans and in some cases providing limited debt reduction.

(3) Despite such efforts, the cumulative debt of many of the world's poorest countries continued to grow beyond their capacity to repay.

(4) In 1997, the Group of Seven, the World Bank, and the International Monetary Fund adopted the Heavily Indebted Poor Countries Initiative (HIPC), a commitment by the international community that all multilateral and bilateral creditors, acting in a coordinated and concerted fashion, would reduce poor country debt to a sustainable level.

(5) The HIPC Initiative is currently undergoing reforms to address concerns raised about country conditionality, the amount of debt forgiven, and the allocation of savings realized through the debt forgiveness program to ensure that the Initiative accomplishes the goals of economic growth and poverty alleviation in the world's poorest countries.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Congress and the President should work together, without undue delay and in concert with the international community, to make comprehensive debt relief available to the world's poorest countries in a manner that promotes economic growth and poverty alleviation;

(2) this program of bilateral and multilateral debt relief should be designed to strengthen and expand the private sector, encourage increased trade and investment, support the development of free markets, and promote broad-scale economic growth in beneficiary countries;

(3) this program of debt relief should also support the adoption of policies to alleviate poverty and to ensure that benefits are shared widely among the population, such as through initiatives to advance education, improve health, combat AIDS, and promote clean water and environmental protection;

(4) these debt relief agreements should be designed and implemented in a transparent manner and with the broad participation of the citizenry of the debtor country and should ensure that country circumstances are adequately taken into account;

(5) no country should receive the benefits of debt relief if that country does not cooperate with the United States on terrorism or narcotics enforcement, is a gross violator of the human rights of its citizens, or is engaged in conflict or spends excessively on its military; and

(6) in order to prevent adverse impact on a key industry in many developing countries, the International Monetary Fund must mobilize its own resources for providing debt relief to eligible countries without allowing gold to reach the open market, or otherwise adversely affecting the market price of gold.

SEC. 122. EXECUTIVE BRANCH INITIATIVES.

(a) STATEMENT OF THE CONGRESS.—The Congress recognizes that the stated policy of the executive branch in 1997, the ''Partnership for Growth and Opportunity in Africa'' initiative, is a step toward the establishment of a comprehensive trade and development policy for sub-Saharan Africa. It is the sense of the Congress that this Partnership is a companion to the policy goals set forth in this title.

(b) TECHNICAL ASSISTANCE TO PROMOTE ECONOMIC REFORMS AND DEVELOPMENT.—In addition to continuing bilateral and multilateral economic and development assistance, the President shall target technical assistance toward—

(1) developing relationships between United States firms and firms in sub-Saharan Africa through a variety of business associations and networks;

(2) providing assistance to the governments of sub-Saharan African countries to—

(A) liberalize trade and promote exports;

(B) bring their legal regimes into compliance with the standards of the World Trade Organization in conjunction with membership in that Organization;

(C) make financial and fiscal reforms; and

(D) promote greater agribusiness linkages;

(3) addressing such critical agricultural policy issues as market liberalization, agricultural export development, and agribusiness investment in processing and transporting agricultural commodities;

(4) increasing the number of reverse trade missions to growth-oriented countries in sub-Saharan Africa;

(5) increasing trade in services; and

(6) encouraging greater sub-Saharan African participation in future negotiations in the World Trade Organization on services and making further commitments in their schedules to the General Agreement on Trade in Services in order to encourage the removal of tariff and nontariff barriers.

SEC. 123. OVERSEAS PRIVATE INVESTMENT CORPORATION INITIATIVES.

(a) INITIATION OF FUNDS.—It is the sense of the Congress that the Overseas Private Investment Corporation should exercise the authorities it has to initiate an equity fund or equity funds in support of projects in the countries in sub-Saharan Africa, in addition to the existing equity fund for sub-Saharan Africa created by the Corporation.

(b) STRUCTURE AND TYPES OF FUNDS.—

(1) STRUCTURE.—Each fund initiated under subsection (a) should be structured as a partnership managed by professional private sector fund managers and monitored on a continuing basis by the Corporation.

(2) CAPITALIZATION.—Each fund should be capitalized with a combination of private equity capital, which is not guaranteed by the Corporation, and debt for which the Corporation provides guaranties.

(3) INFRASTRUCTURE FUND.—1 or more of the funds, with combined assets of up to $500,000,000, should be used in support of infrastructure projects in countries of sub-Saharan Africa.

(4) EMPHASIS.—The Corporation shall ensure that the funds are used to provide support in particular to women entrepreneurs and to innovative investments that expand opportunities for women and maximize employment opportunities for poor individuals.

(c) OVERSEAS PRIVATE INVESTMENT CORPORATION.—

(1) INVESTMENT ADVISORY COUNCIL.—Section 233 of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

''(e) INVESTMENT ADVISORY COUNCIL.—The Board shall take prompt measures to increase the loan, guarantee, and insurance programs, and financial commitments, of the Corporation in sub-Saharan Africa, including through the use of an investment advisory council to assist the Board in developing and implementing policies, programs, and financial instruments with respect to sub-Saharan Africa. In addition, the investment advisory council shall make recommendations to the Board on how the Corporation can facilitate greater support by the United States for trade and investment with and in sub-Saharan Africa. The investment advisory council shall terminate 4 years after the date of the enactment of this subsection.''.

(2) REPORTS TO THE CONGRESS.—Within 6 months after the date of the enactment of this Act, and annually for each of the 4 years thereafter, the Board of Directors of the Overseas Private Investment Corporation shall submit to the Congress a report on the steps that the Board has taken to implement section 233(e) of the Foreign Assistance Act of 1961 (as added by paragraph (1)) and any recommendations of the investment advisory council established pursuant to such section.

SEC. 124. EXPORT-IMPORT BANK INITIATIVES.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Board of Directors of the Bank shall continue to take comprehensive measures, consistent with the credit standards otherwise required by law, to promote the expansion of the Bank's financial commitments in sub-Saharan Africa under the loan, guarantee and insurance programs of the Bank.

(b) SUB-SAHARAN AFRICA ADVISORY COMMITTEE.—The sub-Saharan Africa Advisory Committee (SAAC) is to be commended for aiding the Bank in advancing the economic partnership between the United States and the nations of sub-Saharan Africa by doubling the number of sub-Saharan African countries in which the Bank is open for traditional financing and by increasing by tenfold the Bank's support for sales to sub-Saharan Africa from fiscal year 1998 to fiscal year 1999. The Board of Directors of the Bank and its staff shall continue to review carefully the sub-Saharan Africa Advisory Committee recommendations on the development and implementation of new and innovative policies and programs designed to promote the Bank's expansion in sub-Saharan Africa.

SEC. 125. EXPANSION OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICE IN SUB-SAHARAN AFRICA.

(a) FINDINGS.—The Congress makes the following findings:

(1) The United States and Foreign Commercial Service (hereafter in this section referred to as the 'Commercial Service') plays an important role in helping U.S. businesses identify export opportunities and develop reliable sources of information on commercial prospects in foreign countries.

(2) During the 1980s, the presence of the Commercial Service in sub-Saharan Africa consisted of 14 professionals providing services in 8 countries. By early 1997, that presence had been reduced by half to 7 professionals in only 4 countries.

(3) Since 1997, the Department of Commerce has slowly begun to increase the presence of the Commercial Service in sub-Saharan Africa, adding 5 full-time officers to established posts.

(4) Although the Commercial Service Officers in these countries have regional responsibilities, this kind of coverage does not adequately service the needs of U.S. businesses attempting to do business in sub-Saharan Africa.

(5) The Congress has, on several occasions, encouraged the Commercial Service to focus its resources and efforts in countries or regions in Europe or Asia to promote greater United States export activity in those markets, and similar encouragement should be provided for countries in sub-Saharan Africa as well.

(6) Because market information is not widely available in many sub-Saharan African countries, the presence of additional Commercial Service Officers and resources can play a significant role in assisting United States businesses in markets in those countries.

(b) APPOINTMENTS.—Subject to the availability of appropriations, by not later than December 31, 2001, the Secretary of Commerce, acting through the Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service, shall take steps to ensure that—

(1) at least 20 full-time Commercial Service employees are stationed in sub-Saharan Africa; and

(2) full-time Commercial Service employees are stationed in not less than 10 different sub-Saharan African countries.

(c) INITIATIVE FOR SUB-SAHARAN AFRICA.—In order to encourage the export of United States goods and services to sub-Saharan African countries, the International Trade Administration shall make a special effort to—

(1) identify United States goods and services which are the best prospects for export by United States companies to sub-Saharan Africa;

(2) identify, where appropriate, tariff and nontariff barriers that are preventing or hindering sales of United States goods and services

to, or the operation of United States companies in, sub-Saharan Africa;

(3) hold discussions with appropriate authorities in sub-Saharan Africa on the matters described in paragraphs (1) and (2) with a view to securing increased market access for United States exporters of goods and services;

(4) identify current resource allocations and personnel levels in sub-Saharan Africa for the Commercial Service and consider plans for the deployment of additional resources or personnel to that region; and

(5) make available to the public, through printed and electronic means of communication, the information derived pursuant to paragraphs (1) through (4) for each of the 4 years after the date of enactment of this Act.

SEC. 126. DONATION OF AIR TRAFFIC CONTROL EQUIPMENT TO ELIGIBLE SUB-SAHARAN AFRICAN COUNTRIES.

It is the sense of the Congress that, to the extent appropriate, the United States Government should make every effort to donate to governments of sub-Saharan African countries determined to be eligible under section 104 air traffic control equipment that is no longer in use, including appropriate related reimbursable technical assistance.

SEC. 127. ADDITIONAL AUTHORITIES AND INCREASED FLEXIBILITY TO PROVIDE ASSISTANCE UNDER THE DEVELOPMENT FUND FOR AFRICA.

(a) USE OF SUSTAINABLE DEVELOPMENT ASSISTANCE TO SUPPORT FURTHER ECONOMIC GROWTH.—It is the sense of the Congress that sustained economic growth in sub-Saharan Africa depends in large measure upon the development of a receptive environment for trade and investment, and that to achieve this objective the United States Agency for International Development should continue to support programs which help to create this environment. Investments in human resources, development, and implementation of free market policies, including policies to liberalize agricultural markets and improve food security, and the support for the rule of law and democratic governance should continue to be encouraged and enhanced on a bilateral and regional basis.

(b) DECLARATIONS OF POLICY.—The Congress makes the following declarations:

(1) The Development Fund for Africa established under chapter 10 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2293 et seq.) has been an effective tool in providing development assistance to sub-Saharan Africa since 1988.

(2) The Development Fund for Africa will complement the other provisions of this title and lay a foundation for increased trade and investment opportunities between the United States and sub-Saharan Africa.

(3) Assistance provided through the Development Fund for Africa will continue to support programs and activities that promote the long term economic development of sub-Saharan Africa, such as programs and activities relating to the following:

(A) Strengthening primary and vocational education systems, especially the acquisition of middle-level technical skills for operating modern private businesses and the introduction of college level business education, including the study of international business, finance, and stock exchanges.

(B) Strengthening health care systems.

(C) Supporting democratization, good governance and civil society and conflict resolution efforts.

(D) Increasing food security by promoting the expansion of agricultural and agriculture-based industrial production and productivity and increasing real incomes for poor individuals.

(E) Promoting an enabling environment for private sector-led growth through sustained economic reform, privatization programs, and market-led economic activities.

(F) Promoting decentralization and local participation in the development process, especially linking the rural production sectors and the industrial and market centers throughout Africa.

(G) Increasing the technical and managerial capacity of sub-Saharan African individuals to manage the economy of sub-Saharan Africa.

(H) Ensuring sustainable economic growth through environmental protection.

(4) The African Development Foundation has a unique congressional mandate to empower the poor to participate fully in development and to increase opportunities for gainful employment, poverty alleviation, and more equitable income distribution in sub-Saharan Africa. The African Development Foundation has worked successfully to enhance the role of women as agents of change, strengthen the informal sector with an emphasis on supporting micro and small sized enterprises, indigenous technologies, and mobilizing local financing. The African Development Foundation should develop and implement strategies for promoting participation in the socioeconomic development process of grassroots and informal sector groups such as nongovernmental organizations, cooperatives, artisans, and traders into the programs and initiatives established under this title.

(c) ADDITIONAL AUTHORITIES.—

(1) IN GENERAL.—Section 496(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(h)) is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following:

''(3) DEMOCRATIZATION AND CONFLICT RESOLUTION CAPABILITIES.—Assistance under this section may also include program assistance—

''(A) to promote democratization, good governance, and strong civil societies in sub-Saharan Africa; and

''(B) to strengthen conflict resolution capabilities of governmental, intergovernmental, and nongovernmental entities in sub-Saharan Africa.''.

(2) CONFORMING AMENDMENT.—Section 496(h)(4) of such Act, as amended by paragraph (1), is further amended by striking ''paragraphs (1) and (2)'' in the first sentence and inserting ''paragraphs (1), (2), and (3)''.

SEC. 128. ASSISTANCE FROM UNITED STATES PRIVATE SECTOR TO PREVENT AND REDUCE HIV/AIDS IN SUB-SAHARAN AFRICA.

It is the sense of the Congress that United States businesses should be encouraged to provide assistance to sub-Saharan African countries to prevent and reduce the incidence of HIV/AIDS in sub-Saharan Africa. In providing such assistance, United States businesses should be encouraged to consider the establishment of an HIV/AIDS Response Fund in order to provide for coordination among such businesses in the collection and distribution of the assistance to sub-Saharan African countries.

SEC. 129. SENSE OF THE CONGRESS RELATING TO HIV/AIDS CRISIS IN SUB-SAHARAN AFRICA.

(a) FINDINGS.—The Congress finds the following:

(1) Sustained economic development in sub-Saharan Africa depends in large measure upon successful trade with and foreign assistance to the countries of sub-Saharan Africa.

(2) The HIV/AIDS crisis has reached epidemic proportions in sub-Saharan Africa, where more than 21,000,000 men, women, and children are infected with HIV.

(3) 83 percent of the estimated 11,700,000 deaths from HIV/AIDS worldwide have been in sub-Saharan Africa.

(4) The HIV/AIDS crisis in sub-Saharan Africa is weakening the structure of families and societies.

(5)(A) The HIV/AIDS crisis threatens the future of the workforce in sub-Saharan Africa.

(B) Studies show that HIV/AIDS in sub-Saharan Africa most severely affects individuals between the ages of 15 and 49—the age group that provides the most support for the economies of sub-Saharan African countries.

(6) Clear evidence demonstrates that HIV/AIDS is destructive to the economies of sub-Saharan African countries.

(7) Sustained economic development is critical to creating the public and private sector resources in sub-Saharan Africa necessary to fight the HIV/AIDS epidemic.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) addressing the HIV/AIDS crisis in sub-Saharan Africa should be a central component of United States foreign policy with respect to sub-Saharan Africa;

(2) significant progress needs to be made in preventing and treating HIV/AIDS in sub-Saharan Africa in order to sustain a mutually beneficial trade relationship between the United States and sub-Saharan African countries; and

(3) the HIV/AIDS crisis in sub-Saharan Africa is a global threat that merits further attention through greatly expanded public, private, and joint public-private efforts, and through appropriate United States legislation.

SEC. 130. STUDY ON IMPROVING AFRICAN AGRICULTURAL PRACTICES.

(a) IN GENERAL.—The Secretary of Agriculture, in consultation with American Land Grant Colleges and Universities and not-for-profit international organizations, is authorized to conduct a 2-year study on ways to improve the flow of American farming techniques and practices to African farmers. The study shall include an examination of ways of improving or utilizing—

(1) knowledge of insect and sanitation procedures;

(2) modern farming and soil conservation techniques;

(3) modern farming equipment (including maintaining the equipment);

(4) marketing crop yields to prospective purchasers; and

(5) crop maximization practices.

The Secretary of Agriculture shall submit the study to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives not later than September 30, 2001.

(b) LAND GRANT COLLEGES AND NOT-FOR-PROFIT INSTITUTIONS.—In conducting the study under subsection (a), the Secretary of Agriculture is encouraged to consult with American Land Grant Colleges and not-for-profit international organizations that have firsthand knowledge of current African farming practices.

SEC. 131. SENSE OF THE CONGRESS REGARDING EFFORTS TO COMBAT DESERTIFICATION IN AFRICA AND OTHER COUNTRIES.

(a) FINDINGS.—The Congress finds that—

(1) desertification affects approximately one-sixth of the world's population and one-quarter of the total land area;

(2) over 1,000,000 hectares of Africa are affected by desertification;

(3) dryland degradation is an underlying cause of recurrent famine in Africa;

(4) the United Nations Environment Programme estimates that desertification costs the world $42,000,000,000 a year, not including incalculable costs in human suffering; and

(5) the United States can strengthen its partnerships throughout Africa and other countries affected by desertification, help alleviate social and economic crises caused by misuse of natural resources, and reduce dependence on foreign aid, by taking a leading role to combat desertification.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the United States should expeditiously work with the international community, particularly Africa and other countries affected by desertification, to—

(1) strengthen international cooperation to combat desertification;

(2) promote the development of national and regional strategies to address desertification and

increase public awareness of this serious problem and its effects;

(3) develop and implement national action programs that identify the causes of desertification and measures to address it; and

(4) recognize the essential role of local governments and nongovernmental organizations in developing and implementing measures to address desertification.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

SEC. 201. SHORT TITLE.

This title may be cited as the ''United States-Caribbean Basin Trade Partnership Act''.

SEC. 202. FINDINGS AND POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) The Caribbean Basin Economic Recovery Act (in this title referred to as ''CBERA'') represents a permanent commitment by the United States to encourage the development of strong democratic governments and revitalized economies in neighboring countries in the Caribbean Basin.

(2) In 1998, Hurricane Mitch and Hurricane Georges devastated areas in the Caribbean Basin region, killing more than 10,000 people and leaving 3,000,000 homeless.

(3) The total direct impact of Hurricanes Mitch and Georges on Honduras, Nicaragua, the Dominican Republic, El Salvador, and Guatemala amounts to $4,200,000,000, representing a severe loss to income levels in this underdeveloped region.

(4) In addition to short term disaster assistance, United States policy toward the region should focus on expanding international trade with the Caribbean Basin region as an enduring solution for successful economic growth and recovery.

(5) Thirty-four democratically elected leaders agreed at the 1994 Summit of the Americas to conclude negotiation of a Free Trade Area of the Americas (in this title referred to as ''FTAA'') by the year 2005.

(6) The economic security of the countries in the Caribbean Basin will be enhanced by the completion of the FTAA.

(7) Offering temporary benefits to Caribbean Basin countries will preserve the United States commitment to Caribbean Basin beneficiary countries, promote the growth of free enterprise and economic opportunity in these neighboring countries, and thereby enhance the national security interests of the United States.

(8) Given the greater propensity of countries located in the Western Hemisphere to use United States components and to purchase United States products compared to other countries, increased trade and economic activity between the United States and countries in the Western Hemisphere will create new jobs in the United States as a result of expanding export opportunities.

(b) POLICY.—It is the policy of the United States—

(1) to offer Caribbean Basin beneficiary countries willing to prepare to become a party to the FTAA or another free trade agreement, tariff treatment essentially equivalent to that accorded to products of NAFTA countries for certain products not currently eligible for duty-free treatment under the CBERA; and

(2) to seek the participation of Caribbean Basin beneficiary countries in the FTAA or another free trade agreement at the earliest possible date, with the goal of achieving full participation in such agreement not later than 2005.

SEC. 203. DEFINITIONS.

In this title:

(1) NAFTA.—The term ''NAFTA'' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

(2) NAFTA COUNTRY.—The term ''NAFTA country'' means any country with respect to which the NAFTA is in force.

(3) WTO AND WTO MEMBER.—The terms ''WTO'' and ''WTO member'' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

Subtitle B—Trade Benefits for Caribbean Basin Countries

SEC. 211. TEMPORARY PROVISIONS TO PROVIDE ADDITIONAL TRADE BENEFITS TO CERTAIN BENEFICIARY COUNTRIES.

(a) TEMPORARY PROVISIONS.—Section 213(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)) is amended to read as follows:

''(b) IMPORT-SENSITIVE ARTICLES.—

''(1) IN GENERAL.—Subject to paragraphs (2) through (5), the duty-free treatment provided under this title does not apply to—

''(A) textile and apparel articles which were not eligible articles for purposes of this title on January 1, 1994, as this title was in effect on that date;

''(B) footwear not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

''(C) tuna, prepared or preserved in any manner, in airtight containers;

''(D) petroleum, or any product derived from petroleum, provided for in headings 2709 and 2710 of the HTS;

''(E) watches and watch parts (including cases, bracelets, and straps), of whatever type including, but not limited to, mechanical, quartz digital or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which HTS column 2 rates of duty apply; or

''(F) articles to which reduced rates of duty apply under subsection (h).

''(2) TRANSITION PERIOD TREATMENT OF CERTAIN TEXTILE AND APPAREL ARTICLES.—

''(A) ARTICLES COVERED.—During the transition period, the preferential treatment described in subparagraph (B) shall apply to the following articles:

''(i) APPAREL ARTICLES ASSEMBLED IN A CBTPA BENEFICIARY COUNTRY.—Apparel articles assembled in a CBTPA beneficiary country from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States, that are—

''(I) entered under subheading 9802.00.80 of the HTS; or

''(II) entered under chapter 61 or 62 of the HTS, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the HTS but for the fact that the articles were embroidered or subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, screen printing, or other similar processes.

''(ii) APPAREL ARTICLES CUT AND ASSEMBLED IN ONE OR MORE CBTPA BENEFICIARY COUNTRIES.—Apparel articles cut in a CBTPA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in such country with thread formed in the United States.

''(iii) CERTAIN KNIT APPAREL ARTICLES.—(I) Apparel articles knit to shape (other than socks provided for in heading 6115 of the HTS) in a CBTPA beneficiary country from yarns wholly formed in the United States, and knit apparel articles (other than t-shirts described in subclause (III)) cut and wholly assembled in 1 or more CBTPA beneficiary countries from fabric formed in one or more CBTPA beneficiary countries or the United States from yarns wholly formed in the United States, in an amount not exceeding the amount set forth in subclause (II).

''(II) The amount referred to in subclause (I) is—

''(aa) 250,000,000 square meter equivalents during the 1-year period beginning on October 1, 2000, increased by 16 percent, compounded annually, in each succeeding 1-year period through September 30, 2004; and

''(bb) in each 1-year period thereafter through September 30, 2008, the amount in effect for the 1-year period ending on September 30, 2004, or such other amount as may be provided by law.

''(III) T-shirts, other than underwear, classifiable under subheadings 6109.10.00 and 6109.90.10 of the HTS, made in one or more CBTPA beneficiary countries from fabric formed in one or more CBTPA beneficiary countries from yarns wholly formed in the United States, in an amount not exceeding the amount set forth in subclause (IV).

''(IV) The amount referred to in subclause (III) is—

''(aa) 4,200,000 dozen during the 1-year period beginning on October 1, 2000, increased by 16 percent, compounded annually, in each succeeding 1-year period through September 30, 2004; and

''(bb) in each 1-year period thereafter, the amount in effect for the 1-year period ending on September 30, 2004, or such other amount as may be provided by law.

''(V) It is the sense of Congress that the Congress should determine, based on the record of expansion of exports from the United States as a result of the preferential treatment of articles under this clause, the percentage by which the amount provided in subclauses (II) and (IV) should be compounded for the 1-year periods occuring aftr the 1-year period ending on September 30, 2004.

''(iv) CERTAIN OTHER APPAREL ARTICLES.—(I) Subject to subclause (II), any apparel article classifiable under subheading 6212.10 of the HTS, if the article is both cut and sewn or otherwise assembled in the United States, or 1 or more of the CBTPA beneficiary countries, or both.

''(II) During the 1-year period beginning on October 1, 2001, and during each of the 6 succeeding 1-year periods, apparel articles described in subclause (I) of a producer or an entity controlling production shall be eligible for preferential treatment under subparagraph (B) only if the aggregate cost of fabric components formed in the United States that are used in the production of all such articles of that producer or entity during the preceding 1-year period is at least 75 percent of the aggregate declared customs value of the fabric contained in all such articles of that producer or entity that are entered during the preceding 1-year period.

''(III) The United States Customs Service shall develop and implement methods and procedures to ensure ongoing compliance with the requirement set forth in subclause (II). If the Customs Service finds that a producer or an entity controlling production has not satisfied such requirement in a 1-year period, then apparel articles described in subclause (I) of that producer or entity shall be ineligible for preferential treatment under subparagraph (B) during any succeeding 1-year period until the aggregate cost of fabric components formed in the United States used in the production of such articles of that producer or entity in the preceding 1-year period is at least 85 percent of the aggregate declared customs value of the fabric contained in all such articles of that producer or entity that are entered during the preceding 1-year period.

''(v) APPAREL ARTICLES ASSEMBLED FROM FIBERS, FABRIC, OR YARN NOT WIDELY AVAILABLE IN COMMERCIAL QUANTITIES.—(I) Apparel articles that are both cut (or knit-to-shape) and sewn or otherwise assembled in 1 or more CBTPA beneficiary countries, from fibers, fabric, or yarn that is not formed in the United States or in 1 or more CBTPA beneficiary countries, to the extent that such fibers, fabric, or yarn would be eligible for preferential treatment, without regard to the source of the fibers, fabric, or yarn, under Annex 401 of the NAFTA.

''(II) At the request of any interested party, the President is authorized to proclaim additional fibers, fabric, and yarn as eligible for preferential treatment under subclause (I) if—

''(aa) the President determines that such fibers, fabric, or yarn cannot be supplied by the domestic industry in commercial quantities in a timely manner;

''(bb) the President has obtained advice regarding the proposed action from the appropriate advisory committee established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) and the United States International Trade Commission;

''(cc) within 60 days after the request, the President has submitted a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth the action proposed to be proclaimed and the reasons for such actions, and the advice obtained under division (bb);

''(dd) a period of 60 calendar days, beginning with the first day on which the President has met the requirements of division (cc), has expired; and

''(ee) the President has consulted with such committees regarding the proposed action during the period referred to in division (cc).

''(vi) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a CBTPA beneficiary country identified under subparagraph (C) that is certified as such by the competent authority of such beneficiary country.

''(vii) SPECIAL RULES.—

''(I) EXCEPTION FOR FINDINGS AND TRIMMINGS.—(aa) An article otherwise eligible for preferential treatment under this paragraph shall not be ineligible for such treatment because the article contains findings or trimmings of foreign origin, if such findings and trimmings do not exceed 25 percent of the cost of the components of the assembled product. Examples of findings and trimmings are sewing thread, hooks and eyes, snaps, buttons, 'bow buds,' decorative lace, trim, elastic strips, zippers, including zipper tapes and labels, and other similar products. Elastic strips are considered findings or trimmings only if they are each less than 1 inch in width and are used in the production of brassieres.

''(bb) In the case of an article described in clause (ii) of this subparagraph, sewing thread shall not be treated as findings or trimmings under this subclause.

''(II) CERTAIN INTERLINING.—(aa) An article otherwise eligible for preferential treatment under this paragraph shall not be ineligible for such treatment because the article contains certain interlinings of foreign origin, if the value of such interlinings (and any findings and trimmings) does not exceed 25 percent of the cost of the components of the assembled article.

''(bb) Interlinings eligible for the treatment described in division (aa) include only a chest type plate, 'hymo' piece, or 'sleeve header', of woven or weft-inserted warp knit construction and of coarse animal hair or man-made filaments.

''(cc) The treatment described in this subclause shall terminate if the President makes a determination that United States manufacturers are producing such interlinings in the United States in commercial quantities.

''(III) DE MINIMIS RULE.—An article that would otherwise be ineligible for preferential treatment under this paragraph because the article contains fibers or yarns not wholly formed in the United States or in 1 or more CBTPA beneficiary countries shall not be ineligible for such treatment if the total weight of all such fibers or yarns is not more than 7 percent of the total weight of the good. Notwithstanding the preceding sentence, an apparel article containing elastomeric yarns shall be eligible for preferential treatment under this paragraph only if such yarns are wholly formed in the United States.

''(IV) SPECIAL ORIGIN RULE.—An article otherwise eligible for preferential treatment under clause (i) or (ii) of this subparagraph shall not be ineligible for such treatment because the article contains nylon filament yarn (other than elastomeric yarn) that is entered under subheading 5402.10.30, 5402.10.60, 5402.31.30, 5402.31.60, 5402.32.30, 5402.32.60, 5402.41.10, 5402.41.90, 5402.51.00, or 5402.61.00 of the HTS duty-free from a country that is a party to an agreement with the United States establishing a free trade area, which entered into force before January 1, 1995.

''(vii) TEXTILE LUGGAGE.—Textile luggage—

''(I) assembled in a CBTPA beneficiary country from fabric wholly formed and cut in the United States, from yarns wholly formed in the United States, that is entered under subheading 9802.00.80 of the HTS; or

''(II) assembled from fabric cut in a CBTPA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States.

''(B) PREFERENTIAL TREATMENT.—Except as provided in subparagraph (E), during the transition period, the articles to which this subparagraph applies shall enter the United States free of duty and free of any quantitative restrictions, limitations, or consultation levels.

''(C) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—For purposes of subparagraph (A)(vi), the President shall consult with representatives of the CBTPA beneficiary countries concerned for the purpose of identifying particular textile and apparel goods that are mutually agreed upon as being handloomed, handmade, or folklore goods of a kind described in section 2.3 (a), (b), or (c) of the Annex or Appendix 3.1.B.11 of the Annex.

''(D) PENALTIES FOR TRANSSHIPMENTS.—

''(i) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel articles from a CBTPA beneficiary country, then the President shall deny all benefits under this title to such exporter, and any successor of such exporter, for a period of 2 years.

''(ii) PENALTIES FOR COUNTRIES.—Whenever the President finds, based on sufficient evidence, that transshipment has occurred, the President shall request that the CBTPA beneficiary country or countries through whose territory the transshipment has occurred take all necessary and appropriate actions to prevent such transshipment. If the President determines that a country is not taking such actions, the President shall reduce the quantities of textile and apparel articles that may be imported into the United States from such country by the quantity of the transshipped articles multiplied by 3, to the extent consistent with the obligations of the United States under the WTO.

''(iii) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subparagraph has occurred when preferential treatment under subparagraph (B) has been claimed for a textile or apparel article on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this clause, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subparagraph (B).

''(E) BILATERAL EMERGENCY ACTIONS.—

''(i) IN GENERAL.—The President may take bilateral emergency tariff actions of a kind described in section 4 of the Annex with respect to any apparel article imported from a CBTPA beneficiary country if the application of tariff treatment under subparagraph (B) to such article results in conditions that would be cause for the taking of such actions under such section 4 with respect to a like article described in the same 8-digit subheading of the HTS that is imported from Mexico.

''(ii) RULES RELATING TO BILATERAL EMERGENCY ACTION.—For purposes of applying bilateral emergency action under this subparagraph—

''(I) the requirements of paragraph (5) of section 4 of the Annex (relating to providing compensation) shall not apply;

''(II) the term 'transition period' in section 4 of the Annex shall have the meaning given that term in paragraph (5)(D) of this subsection; and

''(III) the requirements to consult specified in section 4 of the Annex shall be treated as satisfied if the President requests consultations with the CBTPA beneficiary country in question and the country does not agree to consult within the time period specified under section 4.

''(3) TRANSITION PERIOD TREATMENT OF CERTAIN OTHER ARTICLES ORIGINATING IN BENEFICIARY COUNTRIES.—

''(A) EQUIVALENT TARIFF TREATMENT.—

''(i) IN GENERAL.—Subject to clause (ii), the tariff treatment accorded at any time during the transition period to any article referred to in any of subparagraphs (B) through (F) of paragraph (1) that is a CBTPA originating good shall be identical to the tariff treatment that is accorded at such time under Annex 302.2 of the NAFTA to an article described in the same 8-digit subheading of the HTS that is a good of Mexico and is imported into the United States.

''(ii) EXCEPTION.—Clause (i) does not apply to any article accorded duty-free treatment under U.S. Note 2(b) to subchapter II of chapter 98 of the HTS.

''(B) RELATIONSHIP TO SUBSECTION (h) DUTY REDUCTIONS.—If at any time during the transition period the rate of duty that would (but for action taken under subparagraph (A)(i) in regard to such period) apply with respect to any article under subsection (h) is a rate of duty that is lower than the rate of duty resulting from such action, then such lower rate of duty shall be applied for the purposes of implementing such action.

''(4) CUSTOMS PROCEDURES.—

''(A) IN GENERAL.—

''(i) REGULATIONS.—Any importer that claims preferential treatment under paragraph (2) or (3) shall comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented pursuant to United States law, in accordance with regulations promulgated by the Secretary of the Treasury.

''(ii) DETERMINATION.—

''(I) IN GENERAL.—In order to qualify for the preferential treatment under paragraph (2) or (3) and for a Certificate of Origin to be valid with respect to any article for which such treatment is claimed, there shall be in effect a determination by the President that each country described in subclause (II)—

''(aa) has implemented and follows, or

''(bb) is making substantial progress toward implementing and following,

procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA.

''(II) COUNTRY DESCRIBED.—A country is described in this subclause if it is a CBTPA beneficiary country—

''(aa) from which the article is exported, or

''(bb) in which materials used in the production of the article originate or in which the article or such materials undergo production that contributes to a claim that the article is eligible for preferential treatment under paragraph (2) or (3).

''(B) CERTIFICATE OF ORIGIN.—The Certificate of Origin that otherwise would be required pursuant to the provisions of subparagraph (A) shall not be required in the case of an article imported under paragraph (2) or (3) if such Certificate of Origin would not be required under Article 503 of the NAFTA (as implemented pursuant to United States law), if the article were imported from Mexico.

''(C) REPORT BY USTR ON COOPERATION OF OTHER COUNTRIES CONCERNING CIRCUMVENTION.—The United States Commissioner of Customs shall conduct a study analyzing the extent to which each CBTPA beneficiary country—

''(i) has cooperated fully with the United States, consistent with its domestic laws and procedures, in instances of circumvention or alleged circumvention of existing quotas on imports of textile and apparel goods, to establish necessary relevant facts in the places of import, export, and, where applicable, transshipment, including investigation of circumvention practices, exchanges of documents, correspondence, reports, and other relevant information, to the extent such information is available;

''(ii) has taken appropriate measures, consistent with its domestic laws and procedures, against exporters and importers involved in instances of false declaration concerning fiber content, quantities, description, classification, or origin of textile and apparel goods; and

''(iii) has penalized the individuals and entities involved in any such circumvention, consistent with its domestic laws and procedures, and has worked closely to seek the cooperation of any third country to prevent such circumvention from taking place in that third country.

The Trade Representative shall submit to Congress, not later than October 1, 2001, a report on the study conducted under this subparagraph.

''(5) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

''(A) ANNEX.—The term 'the Annex' means Annex 300–B of the NAFTA.

''(B) CBTPA BENEFICIARY COUNTRY.—The term 'CBTPA beneficiary country' means any 'beneficiary country', as defined in section 212(a)(1)(A) of this title, which the President designates as a CBTPA beneficiary country, taking into account the criteria contained in subsections (b) and (c) of section 212 and other appropriate criteria, including the following:

''(i) Whether the beneficiary country has demonstrated a commitment to—

''(I) undertake its obligations under the WTO, including those agreements listed in section 101(d) of the Uruguay Round Agreements Act, on or ahead of schedule; and

''(II) participate in negotiations toward the completion of the FTAA or another free trade agreement.

''(ii) The extent to which the country provides protection of intellectual property rights consistent with or greater than the protection afforded under the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act.

''(iii) The extent to which the country provides internationally recognized worker rights, including—

''(I) the right of association,

''(II) the right to organize and bargain collectively,

''(III) a prohibition on the use of any form of forced or compulsory labor,

''(IV) a minimum age for the employment of children, and

''(V) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

''(iv) Whether the country has implemented its commitments to eliminate the worst forms of child labor, as defined in section 507(6) of the Trade Act of 1974.

''(v) The extent to which the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance.

''(vi) The extent to which the country has taken steps to become a party to and implements the Inter-American Convention Against Corruption.

''(vii) The extent to which the country—

''(I) applies transparent, nondiscriminatory, and competitive procedures in government procurement equivalent to those contained in the Agreement on Government Procurement described in section 101(d)(17) of the Uruguay Round Agreements Act; and

''(II) contributes to efforts in international fora to develop and implement international rules in transparency in government procurement.

''(C) CBTPA ORIGINATING GOOD.—

''(i) IN GENERAL.—The term 'CBTPA originating good' means a good that meets the rules of origin for a good set forth in chapter 4 of the NAFTA as implemented pursuant to United States law.

''(ii) APPLICATION OF CHAPTER 4.—In applying chapter 4 of the NAFTA with respect to a CBTPA beneficiary country for purposes of this subsection—

''(I) no country other than the United States and a CBTPA beneficiary country may be treated as being a party to the NAFTA;

''(II) any reference to trade between the United States and Mexico shall be deemed to refer to trade between the United States and a CBTPA beneficiary country;

''(III) any reference to a party shall be deemed to refer to a CBTPA beneficiary country or the United States; and

''(IV) any reference to parties shall be deemed to refer to any combination of CBTPA beneficiary countries or to the United States and 1 or more CBTPA beneficiary countries (or any combination thereof).

''(D) TRANSITION PERIOD.—The term 'transition period' means, with respect to a CBTPA beneficiary country, the period that begins on October 1, 2000, and ends on the earlier of—

''(i) September 30, 2008, or

''(ii) the date on which the FTAA or another free trade agreement that makes substantial progress in achieving the negotiating objectives set forth in 108(b)(5) of Public Law 103–182 (19 U.S.C. 3317(b)(5)) enters into force with respect to the United States and the CBTPA beneficiary country.

''(E) CBTPA.—The term 'CBTPA' means the United States-Caribbean Basin Trade Partnership Act.

''(F) FTAA.—The term 'FTAA' means the Free Trade Area of the Americas.''.

(b) DETERMINATION REGARDING RETENTION OF DESIGNATION.—Section 212(e) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(e)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting ''(A)'' after ''(1)''; and

(C) by adding at the end the following:

''(B) The President may, after the requirements of subsection (a)(2) and paragraph (2) have been met—

''(i) withdraw or suspend the designation of any country as a CBTPA beneficiary country, or

''(ii) withdraw, suspend, or limit the application of preferential treatment under section 213(b) (2) and (3) to any article of any country, if, after such designation, the President determines that, as a result of changed circumstances, the performance of such country is not satisfactory under the criteria set forth in section 213(b)(5)(B).''; and

(2) by adding after paragraph (2) the following new paragraph:

''(3) If preferential treatment under section 213(b) (2) and (3) is withdrawn, suspended, or limited with respect to a CBTPA beneficiary country, such country shall not be deemed to be a 'party' for the purposes of applying section 213(b)(5)(C) to imports of articles for which preferential treatment has been withdrawn, suspended, or limited with respect to such country.''.

(c) REPORTING REQUIREMENTS.—

(1) Section 212(f) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(f)) is amended to read as follows:

''(f) REPORTING REQUIREMENTS.—

''(1) IN GENERAL.—Not later than December 31, 2001, and every 2 years thereafter during the period this title is in effect, the United States Trade Representative shall submit to Congress a report regarding the operation of this title, including—

''(A) with respect to subsections (b) and (c), the results of a general review of beneficiary countries based on the considerations described in such subsections; and

''(B) the performance of each beneficiary country or CBTPA beneficiary country, as the case may be, under the criteria set forth in section 213(b)(5)(B).

''(2) PUBLIC COMMENT.—Before submitting the report described in paragraph (1), the United States Trade Representative shall publish a notice in the Federal Register requesting public comments on whether beneficiary countries are meeting the criteria listed in section 213(b)(5)(B).''.

(2) Section 203(f) of the Andean Trade Preference Act (19 U.S.C. 3202(f)) is amended—

(A) by striking ''TRIENNIAL REPORT'' in the heading and inserting ''REPORT''; and

(B) by striking ''On or before'' and all that follows through ''enactment of this title'' and inserting ''Not later than January 31, 2001''.

(d) INTERNATIONAL TRADE COMMISSION REPORTS.—

(1) Section 215(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2704(a)) is amended to read as follows:

''(a) REPORTING REQUIREMENT.—

''(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers and on the economy of the beneficiary countries.

''(2) FIRST REPORT.—The first report shall be submitted not later than September 30, 2001.

''(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.''.

(2) Section 206(a) of the Andean Trade Preference Act (19 U.S.C. 3204(a)) is amended to read as follows:

''(a) REPORTING REQUIREMENTS.—

''(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers, and, in conjunction with other agencies, the effectiveness of this title in promoting drug-related crop eradication and crop substitution efforts of the beneficiary countries.

''(2) SUBMISSION.—During the period that this title is in effect, the report required by paragraph (1) shall be submitted on December 31 of each year that the report required by section 215 of the Caribbean Basin Economic Recovery Act is not submitted.

''(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.''.

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—

(A) Section 211 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701) is amended by inserting ''(or other preferential treatment)'' after ''treatment''.

(B) Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by inserting ''and except as provided in subsection (b) (2) and (3),'' after ''Tax Reform Act of 1986,''.

(2) DEFINITIONS.—Section 212(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C.

2702(a)(1)) is amended by adding at the end the following new subparagraphs:

''(D) The term 'NAFTA' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

''(E) The terms 'WTO' and 'WTO member' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).''.

SEC. 214. DUTY-FREE TREATMENT FOR CERTAIN BEVERAGES MADE WITH CARIBBEAN RUM.

Section 213(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)) is amended—

(1) in paragraph (5), by striking ''chapter'' and inserting ''title''; and

(2) by adding at the end the following new paragraph:

''(6) Notwithstanding paragraph (1), the duty-free treatment provided under this title shall apply to liqueurs and spirituous beverages produced in the territory of Canada from rum if—

''(A) such rum is the growth, product, or manufacture of a beneficiary country or of the Virgin Islands of the United States;

''(B) such rum is imported directly from a beneficiary country or the Virgin Islands of the United States into the territory of Canada, and such liqueurs and spirituous beverages are imported directly from the territory of Canada into the customs territory of the United States;

''(C) when imported into the customs territory of the United States, such liqueurs and spirituous beverages are classified in subheading 2208.90 or 2208.40 of the HTS; and

''(D) such rum accounts for at least 90 percent by volume of the alcoholic content of such liqueurs and spirituous beverages.''.

SEC. 215. MEETINGS OF TRADE MINISTERS AND USTR.

(a) SCHEDULE OF MEETINGS.—The President shall take the necessary steps to convene a meeting with the trade ministers of the CBTPA beneficiary countries in order to establish a schedule of regular meetings, to commence as soon as is practicable, of the trade ministers and the Trade Representative, for the purpose set forth in subsection (b).

(b) PURPOSE.—The purpose of the meetings scheduled under subsection (a) is to reach agreement between the United States and CBTPA beneficiary countries on the likely timing and procedures for initiating negotiations for CBTPA beneficiary countries to enter into mutually advantageous free trade agreements with the United States that contain provisions comparable to those in the NAFTA and would make substantial progress in achieving the negotiating objectives set forth in section 108(b)(5) of Public Law 103–182 (19 U.S.C. 3317(b)(5)).

(c) DEFINITION.—In this section, the term ''CBTPA beneficiary country'' has the meaning given that term in section 213(b)(5)(B) of the Caribbean Basin Economic Recovery Act.

TITLE III—NORMAL TRADE RELATIONS

SEC. 301. NORMAL TRADE RELATIONS FOR ALBANIA.

(a) FINDINGS.—Congress makes the following findings:

(1) Albania has been found to be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974.

(2) Since its emergence from communism, Albania has made progress toward democratic rule and the creation of a free-market economy.

(3) Albania has concluded a bilateral investment treaty with the United States.

(4) Albania has demonstrated a strong desire to build a friendly relationship with the United States and has been very cooperative with NATO and the international community during and after the Kosova crisis.

(5) The extension of unconditional normal trade relations treatment to the products of Albania will enable the United States to avail itself of all rights under the World Trade Organization with respect to Albania when that country becomes a member of the World Trade Organization.

(b) TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO ALBANIA.—

(1) PRESIDENTIAL DETERMINATIONS AND EXTENSIONS OF NONDISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(A) determine that such title should no longer apply to Albania; and

(B) after making a determination under subparagraph (A) with respect to Albania, proclaim the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of that country.

(2) TERMINATION OF APPLICATION OF TITLE IV.—On or after the effective date of the extension under paragraph (1)(B) of nondiscriminatory treatment to the products of Albania, title IV of the Trade Act of 1974 shall cease to apply to that country.

SEC. 302. NORMAL TRADE RELATIONS FOR KYRGYZSTAN.

(a) FINDINGS.—Congress makes the following findings:

(1) Kyrgyzstan has been found to be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974.

(2) Since its independence from the Soviet Union in 1991, Kyrgyzstan has made great progress toward democratic rule and toward creating a free-market economic system.

(3) Kyrgyzstan concluded a bilateral investment treaty with the United States in 1994.

(4) Kyrgyzstan has demonstrated a strong desire to build a friendly and cooperative relationship with the United States.

(5) The extension of unconditional normal trade relations treatment to the products of Kyrgyzstan will enable the United States to avail itself of all rights under the World Trade Organization with respect to Kyrgyzstan.

(b) TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO KYRGYZSTAN.—

(1) PRESIDENTIAL DETERMINATIONS AND EXTENSIONS OF NONDISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(A) determine that such title should no longer apply to Kyrgyzstan; and

(B) after making a determination under subparagraph (A) with respect to Kyrgyzstan, proclaim the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of that country.

(2) TERMINATION OF APPLICATION OF TITLE IV.—On or after the effective date of the extension under paragraph (1)(B) of nondiscriminatory treatment to the products of Kyrgyzstan, title IV of the Trade Act of 1974 shall cease to apply to that country.

TITLE IV—OTHER TRADE PROVISIONS

SEC. 401. REPORT ON EMPLOYMENT AND TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Not later than 9 months after the date of enactment of this section, the Comptroller General of the United States shall submit to Congress a report regarding the efficiency and effectiveness of Federal and State coordination of employment and retraining activities associated with the following programs and legislation:

(1) Trade adjustment assistance (including NAFTA trade adjustment assistance) provided for under title II of the Trade Act of 1974.

(2) The Job Training Partnership Act.

(3) The Workforce Investment Act of 1998.

(4) Unemployment insurance.

(b) PERIOD COVERED.—The report shall cover the activities involved in the programs and legislation listed in subsection (a) from January 1, 1994, to December 31, 1999.

(c) DATA AND RECOMMENDATIONS.—The report shall at a minimum include specific data and recommendations regarding—

(1) the compatibility of program requirements related to the employment and retraining of dislocated workers in the United States, with particular emphasis on the trade adjustment assistance programs provided for under title II of the Trade Act of 1974;

(2) the compatibility of application procedures related to the employment and retraining of dislocated workers in the United States;

(3) the capacity of the programs in addressing foreign trade and the transfer of production to other countries on workers in the United States measured in terms of loss of employment and wages;

(4) the capacity of the programs in addressing foreign trade and the transfer of production to other countries on secondary workers in the United States measured in terms of loss of employment and wages;

(5) how the impact of foreign trade and the transfer of production to other countries would have changed the number of beneficiaries covered under the trade adjustment assistance program if the trade adjustment assistance program covered secondary workers in the United States; and

(6) the effectiveness of the programs described in subsection (a) in achieving reemployment of United States workers and maintaining wage levels of United States workers who have been dislocated as a result of foreign trade and the transfer of production to other countries.

SEC. 402. TRADE ADJUSTMENT ASSISTANCE.

(a) CERTIFICATION OF ELIGIBILITY FOR WORKERS REQUIRED FOR DECOMMISSIONING OR CLOSURE OF FACILITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law or any decision by the Secretary of Labor denying certification or eligibility for certification for adjustment assistance under title II of the Trade Act of 1974, a qualified worker described in paragraph (2) shall be certified by the Secretary as eligible to apply for adjustment assistance under such title II.

(2) QUALIFIED WORKER.—For purposes of this subsection, a ''qualified worker'' means a worker who—

(A) was determined to be covered under Trade Adjustment Assistance Certification TA–W–28,438; and

(B) was necessary for the decommissioning or closure of a nuclear power facility.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

SEC. 403. RELIQUIDATION OF CERTAIN NUCLEAR FUEL ASSEMBLIES.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Secretary of the Treasury not later than 90 days after the date of enactment of this Act, the Secretary shall—

(1) reliquidate as free of duty the entries listed in subsection (b); and

(2) refund any duties paid with respect to such entries as shown on Customs Service Collection Receipt Number 527006753.

(b) ENTRIES.—The entries referred to in subsection (a) are as follows:

Entry number	Date of entry
062–2320014–5	January 16, 1996
062–2320085–5	February 13, 1996
839–4030989–7	November 25, 1996
839–4031053–1	December 2, 1996
839–4031591–0	January 21, 1997.

SEC. 404. REPORTS TO THE FINANCE AND WAYS AND MEANS COMMITTEES.

(a) REPORTS REGARDING INITIATIVES TO UPDATE THE INTERNATIONAL MONETARY FUND.—Section 607 of the Foreign Operations, Export Financing, and Related Appropriations Act, 1999 (as contained in section 101(d) of division A of the Omnibus Consolidated and Emergency

Supplemental Appropriations Act, 1999) (Public Law 105–277; 112 Stat. 2681–224), relating to international financial programs and reform, is amended—

(1) by inserting ''Finance,'' after ''Foreign Relations,''; and

(2) by inserting '', Ways and Means,'' before ''and Banking and Financial Services''.

(b) REPORTS ON FINANCIAL STABILIZATION PROGRAMS.—Section 1704(b) of the International Financial Institutions Act (22 U.S.C. 262r–3(b)) is amended to read as follows:

''(b) TIMING.—Not later than March 15, 1999, and semiannually thereafter, the Secretary of the Treasury shall submit to the Committees on Banking and Financial Services, Ways and Means, and International Relations of the House of Representatives and the Committees on Finance, Foreign Relations, and Banking, Housing, and Urban Affairs of the Senate a report on the matters described in subsection (a).''.

(c) ANNUAL REPORT ON THE STATE OF THE INTERNATIONAL FINANCIAL SYSTEM, IMF REFORM, AND COMPLIANCE WITH IMF AGREEMENTS.—Section 1705(a) of the International Financial Institutions Act (22 U.S.C. 262r–4(a)) is amended by striking ''Committee on Banking and Financial Services of the House of Representatives and the Committee on Foreign Relations of the Senate'' and inserting ''Committees on Banking and Financial Services and on Ways and Means of the House of Representatives and the Committees on Finance and on Foreign Relations of the Senate''.

(d) AUDITS OF THE IMF.—Section 1706(a) of the International Financial Institutions Act (22 U.S.C. 262r–5(a)) is amended by striking ''Committee on Banking and Financial Services of the House of Representatives and the Committee on Foreign Relations of the Senate'' and inserting ''Committees on Banking and Financial Services and on Ways and Means of the House of Representatives and the Committees on Finance and on Foreign Relations of the Senate''.

(e) REPORT ON PROTECTION OF BORDERS AGAINST DRUG TRAFFIC.—Section 629 of the Treasury and General Government Appropriations Act, 1999 (as contained in section 101(h) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (Public Law 105–277; 112 Stat. 2681–522), relating to general provisions, is amended by adding at the end the following new paragraph:

''(3) For purposes of paragraph (1), the term 'appropriate congressional committees' includes the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.''.

SEC. 405. CLARIFICATION OF SECTION 334 OF THE URUGUAY ROUND AGREEMENTS ACT.

(a) IN GENERAL.—Section 334(b)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3592(b)(2)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) in the matter preceding clause (i) (as redesignated), by striking ''Notwithstanding paragraph (1)(D)'' and inserting ''(A) Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (B) and (C)''; and

(3) by adding at the end the following:

''(B) Notwithstanding paragraph (1)(C), fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to originate in, and be the growth, product, or manufacture of, the country, territory, or possession in which the fabric is both dyed and printed when accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

''(C) Notwithstanding paragraph (1)(D), goods classified under HTS heading 6117.10, 6213.00, 6214.00, 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95, except for goods classified under such headings as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to originate in, and be the growth, product, or manufacture of, the country, territory, or possession in which the fabric is both dyed and printed when accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.''.

(b) EFFECTIVE DATE.—The amendments made by this section apply to goods entered, or withdrawn from warehouse for consumption, on or after the date of enactment of this Act.

SEC. 406. CHIEF AGRICULTURAL NEGOTIATOR.

Section 141 of the Trade Act of 1974 (19 U.S.C. 2171) is amended—

(1) by amending subsection (b)(2) to read as follows:

''(2) There shall be in the Office three Deputy United States Trade Representatives and one Chief Agricultural Negotiator who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of a Deputy United States Trade Representative or the Chief Agricultural Negotiator submitted to the Senate for its advice and consent, and referred to a committee, shall be referred to the Committee on Finance. Each Deputy United States Trade Representative and the Chief Agricultural Negotiator shall hold office at the pleasure of the President and shall have the rank of Ambassador.''; and

(2) in subsection (c), by adding at the end the following new paragraph:

''(5) The principal function of the Chief Agricultural Negotiator shall be to conduct trade negotiations and to enforce trade agreements relating to United States agricultural products and services. The Chief Agricultural Negotiator shall be a vigorous advocate on behalf of United States agricultural interests. The Chief Agricultural Negotiator shall perform such other functions as the United States Trade Representative may direct.''.

SEC. 407. REVISION OF RETALIATION LIST OR OTHER REMEDIAL ACTION.

Section 306(b)(2) of the Trade Act of 1974 (19 U.S.C. 2416(b)(2)) is amended—

(1) by striking ''If the'' and inserting the following:

''(A) FAILURE TO IMPLEMENT RECOMMENDATION.—If the''; and

(2) by adding at the end the following:

''(B) REVISION OF RETALIATION LIST AND ACTION.—

''(i) IN GENERAL.—Except as provided in clause (ii), in the event that the United States initiates a retaliation list or takes any other action described in section 301(c)(1) (A) or (B) against the goods of a foreign country or countries because of the failure of such country or countries to implement the recommendation made pursuant to a dispute settlement proceeding under the World Trade Organization, the Trade Representative shall periodically revise the list or action to affect other goods of the country or countries that have failed to implement the recommendation.

''(ii) EXCEPTION.—The Trade Representative is not required to revise the retaliation list or the action described in clause (i) with respect to a country, if—

''(I) the Trade Representative determines that implementation of a recommendation made pursuant to a dispute settlement proceeding described in clause (i) by the country is imminent; or

''(II) the Trade Representative together with the petitioner involved in the initial investigation under this chapter (or if no petition was filed, the affected United States industry) agree that it is unnecessary to revise the retaliation list.

''(C) SCHEDULE FOR REVISING LIST OR ACTION.—The Trade Representative shall, 120 days after the date the retaliation list or other section 301(a) action is first taken, and every 180 days thereafter, review the list or action taken and revise, in whole or in part, the list or action to affect other goods of the subject country or countries.

''(D) STANDARDS FOR REVISING LIST OR ACTION.—In revising any list or action against a country or countries under this subsection, the Trade Representative shall act in a manner that is most likely to result in the country or countries implementing the recommendations adopted in the dispute settlement proceeding or in achieving a mutually satisfactory solution to the issue that gave rise to the dispute settlement proceeding. The Trade Representative shall consult with the petitioner, if any, involved in the initial investigation under this chapter.

''(E) RETALIATION LIST.—The term 'retaliation list' means the list of products of a foreign country or countries that have failed to comply with the report of the panel or Appellate Body of the WTO and with respect to which the Trade Representative is imposing duties above the level that would otherwise be imposed under the Harmonized Tariff Schedule of the United States.

''(F) REQUIREMENT TO INCLUDE RECIPROCAL GOODS ON RETALIATION LIST.—The Trade Representative shall include on the retaliation list, and on any revised lists, reciprocal goods of the industries affected by the failure of the foreign country or countries to implement the recommendation made pursuant to a dispute settlement proceeding under the World Trade Organization, except in cases where existing retaliation and its corresponding preliminary retaliation list do not already meet this requirement.''.

SEC. 408. REPORT ON TRADE ADJUSTMENT ASSISTANCE FOR AGRICULTURAL COMMODITY PRODUCERS.

(a) IN GENERAL.—Not later than 4 months after the date of enactment of this Act, the Secretary of Labor, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that—

(1) examines the applicability to agricultural commodity producers of trade adjustment assistance programs established under title II of the Trade Act of 1974; and

(2) sets forth recommendations to improve the operation of those programs as the programs apply to agricultural commodity producers or to establish a new trade adjustment assistance program for agricultural commodity producers.

(b) CONTENTS.—In preparing the report required by subsection (a), the Secretary of Labor shall—

(1) assess the degree to which the existing trade adjustment assistance programs address the adverse effects on agricultural commodity producers due to price suppression caused by increased imports of like or directly competitive agricultural commodities; and

(2) examine the effectiveness of the program benefits authorized under subchapter B of chapter 2 and chapter 3 of title II of the Trade Act of 1974 in remedying the adverse effects, including price suppression, caused by increased imports of like or directly competitive agricultural commodities.

(c) DEFINITIONS.—In this section:

(1) AGRICULTURAL COMMODITY.—The term ''agricultural commodity'' means any agricultural commodity, including livestock, fish or harvested seafood in its raw or natural state.

(2) AGRICULTURAL COMMODITY PRODUCER.—The term ''agricultural commodity producer'' means any person who is engaged in the production and sale of an agricultural commodity in the United States and who owns or shares the ownership and risk of loss of the agricultural commodity.

SEC. 409. AGRICULTURAL TRADE NEGOTIATING OBJECTIVES AND CONSULTATIONS WITH CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) United States agriculture contributes positively to the United States balance of trade and United States agricultural exports support in excess of 1,000,000 United States jobs;

(2) United States agriculture competes successfully worldwide despite the fact that United States producers are at a competitive disadvantage because of the trade distorting support and subsidy practices of other countries and despite the fact that significant tariff and nontariff barriers exist to United States exports; and

(3) a successful conclusion of the current World Trade Organization agricultural negotiations is critically important to the United States agricultural sector.

(b) OBJECTIVES.—The agricultural trade negotiating objectives of the United States with respect to the current World Trade Organization agricultural negotiations include as matters of the highest priority—

(1) the expeditious elimination of all export subsidies worldwide while maintaining bona fide food aid and preserving United States market development and export credit programs that allow the United States to compete with other foreign export promotion efforts;

(2) leveling the playing field for United States producers of agricultural products by eliminating blue box subsidies and disciplining domestic supports in a way that forces producers to face world prices on all production in excess of domestic food security needs while allowing the preservation of nontrade distorting programs to support family farms and rural communities;

(3) the elimination of state trading enterprises or the adoption of rigorous disciplines that ensure operational transparency, competition, and the end of discriminatory pricing practices, including policies supporting cross-subsidization and price undercutting in export markets;

(4) affirming that the World Trade Organization Agreement on the Application of Sanitary and Phytosanitary Measures applies to new technologies, including biotechnology, and that labeling requirements to allow consumers to make choices regarding biotechnology products or other regulatory requirements may not be used as disguised barriers to trade;

(5) increasing opportunities for United States exports of agricultural products by reducing tariffs to the same levels that exist in the United States or to lower levels and by eliminating all nontariff barriers, including—

(A) restrictive or trade distorting practices, including those that adversely impact perishable or cyclical products;

(B) restrictive rules in the administration of tariff-rate quotas; and

(C) other barriers to agriculture trade, including unjustified restrictions or commercial requirements affecting new technologies, including biotechnology;

(6) eliminating government policies that create price-depressing surpluses; and

(7) strengthening dispute settlement procedures to ensure prompt compliance by foreign governments with their World Trade Organization obligations including commitments not to maintain unjustified restrictions on United States exports.

(c) CONSULTATION WITH CONGRESSIONAL COMMITTEES.—

(1) CONSULTATION BEFORE OFFER MADE.—In developing and before submitting an initial or revised negotiating proposal that would reduce United States tariffs on agricultural products or require a change in United States agricultural law, the United States Trade Representative shall consult with the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate and the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives.

(2) CONSULTATION WITH CONGRESSIONAL TRADE ADVISERS.—Prior to and during the course of current negotiations on agricultural trade, the United States Trade Representative shall consult closely with the congressional trade advisers.

(3) CONSULTATION BEFORE AGREEMENT INITIALED.—Not less than 48 hours before initialing an agreement reached as part of current World Trade Organization agricultural negotiations, the United States Trade Representative shall consult closely with the committees referred to in paragraph (1) regarding—

(A) the details of the agreement;

(B) the potential impact of the agreement on United States agricultural producers; and

(C) any changes in United States law necessary to implement the agreement.

(4) DISCLOSURE OF COMMITMENTS.—Any agreement or other understanding addressing agricultural trade with a foreign government or governments (whether oral or in writing) that relates to a trade agreement with respect to which Congress must enact implementing legislation and that is not disclosed to Congress before legislation implementing that agreement is introduced in either House of Congress shall not be considered to be part of the agreement approved by Congress and shall have no force and effect under United States law or in any dispute settlement body.

(d) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) granting the President trade negotiating authority is essential to the successful conclusion of the new round of World Trade Organization agricultural negotiations;

(2) reaching a successful agreement on agriculture should be the top priority of United States negotiators; and

(3) if by the conclusion of the negotiations, the primary agricultural competitors of the United States do not agree to reduce their trade distorting domestic supports and eliminate export subsidies in accordance with the negotiating objectives expressed in this section, the United States should take steps to increase the leverage of United States negotiators and level the playing field for United States producers.

SEC. 410. ENTRY PROCEDURES FOR FOREIGN TRADE ZONE OPERATIONS.

(a) IN GENERAL.—Section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) is amended by adding at the end the following new subsection:

''(i) SPECIAL RULE FOR FOREIGN TRADE ZONE OPERATIONS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (3), all merchandise (including merchandise of different classes, types, and categories), withdrawn from a foreign trade zone during any 7-day period, shall, at the option of the operator or user of the zone, be the subject of a single estimated entry or release filed on or before the first day of the 7-day period in which the merchandise is to be withdrawn from the zone. The estimated entry or release shall be treated as a single entry and a single release of merchandise for purposes of section 13031(a)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)(A)) and all fee exclusions and limitations of such section 13031 shall apply, including the maximum and minimum fee amounts provided for under subsection (b)(8)(A)(i) of such section. The entry summary for the estimated entry or release shall cover only the merchandise actually withdrawn from the foreign trade zone during the 7-day period.

''(2) OTHER REQUIREMENTS.— The Secretary of the Treasury may require that the operator or user of the zone—

''(A) use an electronic data interchange approved by the Customs Service—

''(i) to file the entries described in paragraph (1); and

''(ii) to pay the applicable duties, fees, and taxes with respect to the entries; and

''(B) satisfy the Customs Service that accounting, transportation, and other controls over the merchandise are adequate to protect the revenue and meet the requirements of other Federal agencies.

''(3) EXCEPTION.—The provisions of paragraph (1) shall not apply to merchandise the entry of which is prohibited by law or merchandise for which the filing of an entry summary is required before the merchandise is released from customs custody.

''(4) FOREIGN TRADE ZONE; ZONE.—In this subsection, the terms 'foreign trade zone' and 'zone' mean a zone established pursuant to the Act of June 18, 1934, commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date that is 60 days after the date of enactment of this Act.

SEC. 411. GOODS MADE WITH FORCED OR INDENTURED CHILD LABOR.

(a) IN GENERAL.—Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) is amended by adding at the end the following new sentence: ''For purposes of this section, the term 'forced labor or/and indentured labor' includes forced or indentured child labor.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

SEC. 412. WORST FORMS OF CHILD LABOR.

(a) IN GENERAL.—Section 502(b)(2) of the Trade Act of 1974 (19 U.S.C. 2462(b)(2) is amended—

(1) by inserting after subparagraph (G) the following new subparagraph:

''(H) Such country has not implemented its commitments to eliminate the worst forms of child labor.''; and

(2) in the flush paragraph at the end, by striking ''and (G)'' and inserting ''(G), and (H) (to the extent described in section 507(6)(A), (B), and (C))''.

(b) DEFINITION OF WORST FORMS OF CHILD LABOR.—Section 507 of the Trade Act of 1974 (19 U.S.C. 2467) is amended by adding at the end the following new paragraph:

''(6) WORST FORMS OF CHILD LABOR.—The term 'worst forms of child labor' means—

''(A) all forms of slavery or practices similar to slavery, such as the sale or trafficking of children, debt bondage and serfdom, or forced or compulsory labor, including forced or compulsory recruitment of children for use in armed conflict;

''(B) the use, procuring, or offering of a child for prostitution, for the production of pornography or for pornographic purposes;

''(C) the use, procuring, or offering of a child for illicit activities in particular for the production and trafficking of drugs; and

''(D) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children.

The work referred to in subparagraph (D) shall be determined by the laws, regulations, or competent authority of the beneficiary developing country involved.''.

(c) ANNUAL REPORT.—Section 504 of the Trade Act of 1974 (19 U.S.C. 2464) is amended by inserting '', including the findings of the Secretary of Labor with respect to the beneficiary country's implementation of its international commitments to eliminate the worst forms of child labor'' before the end period.

TITLE V—IMPORTS OF CERTAIN WOOL ARTICLES

SEC. 501. TEMPORARY DUTY REDUCTIONS.

(a) CERTAIN WORSTED WOOL FABRICS WITH AVERAGE FIBER DIAMETERS GREATER THAN 18.5 MICRON.—

(1) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

‘‘	9902.51.11	Fabrics, of worsted wool, with average fiber diameters greater than 18.5 micron, all the foregoing certified by the importer as suitable for use in making suits, suit-type jackets, or trousers (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90)	19.3%	No change	No change	On or before 12/31/2003	’’.

(2) STAGED RATE REDUCTIONS.—Any staged rate reduction of a rate of duty set forth in subheading 6203.31.00 of the Harmonized Tariff Schedule of the United States that is proclaimed by the President shall also apply to the corresponding rate of duty set forth in heading 9902.51.11 of such Schedule, as added by paragraph (1).

(b) CERTAIN WORSTED WOOL FABRICS WITH AVERAGE FIBER DIAMETERS OF 18.5 MICRON OR LESS.—

(1) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

‘‘	9902.51.12	Fabrics, of worsted wool, with average fiber diameters of 18.5 micron or less, all the foregoing certified by the importer as suitable for use in making suits, suit-type jackets, or trousers (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90)	6%	No change	No change	On or before 12/31/2003	’’.

(2) EQUALIZATION WITH CANADIAN DUTY RATES.—The President is authorized to proclaim a reduction in the rate of duty applicable to imports of worsted wool fabrics classified under subheading 9902.51.12 of the Harmonized Tariff Schedule of the United States, as added by paragraph (1), that is necessary to equalize such rate of duty with the most favored nation rate of duty applicable to imports of worsted wool fabrics of the kind described in such subheading imported into Canada.

(c) DEFINITIONS.—The U.S. Notes to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States are amended by adding at the end the following:

‘‘13. For purposes of headings 9902.51.11 and 9902.51.12, the term ‘suit’ has the meaning given such term under note 3(a) of chapter 62 for purposes of headings 6203 and 6204.

‘‘14. For purposes of headings 9902.51.11 and 9902.51.12, the term ‘making’ means cut and sewn in the United States.’’.

(d) LIMITATION ON QUANTITY OF IMPORTS.—The U.S. Notes to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States, as amended by subsection (c), are further amended by adding at the end the following:

‘‘15. The aggregate quantity of worsted wool fabrics entered under heading 9902.51.11 from January 1 to December 31 of each year, inclusive, shall be limited to 2,500,000 square meter equivalents, or such other quantity proclaimed by the President pursuant to section 504(b)(3) of the Trade and Development Act of 2000.

‘‘16. The aggregate quantity of worsted wool fabrics entered under subheading 9902.51.12 from January 1 to December 31 of each year, inclusive, shall be limited to 1,500,000 square meter equivalents, or such other quantity proclaimed by the President pursuant to section 504(b)(3) of the Trade and Development Act of 2000.’’.

(e) ALLOCATION OF TARIFF-RATE QUOTAS.—In implementing the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the Harmonized Tariff Schedule of the United States, as required by U.S. Notes 15 and 16 of subchapter II of chapter 99 of such Schedule, respectively, for the entry, or withdrawal from warehouse for consumption, the President, consistent with United States international obligations, shall take such action as determined appropriate by the President to ensure that such fabrics are fairly allocated to persons (including firms, corporations, or other legal entities) who cut and sew men’s and boys’ worsted wool suits and suit-like jackets and trousers in the United States and who apply for an allocation based on the amount of such suits cut and sewn during the prior calendar year.

(f) EFFECTIVE DATE.—The amendments made by this section apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2001.

SEC. 502. TEMPORARY DUTY SUSPENSIONS.

(a) WOOL YARN WITH AVERAGE FIBER DIAMETERS OF 18.5 MICRON OR LESS.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

‘‘	9902.51.13	Yarn, of combed wool, not put up for retail sale, containing 85 percent or more by weight of wool, of 64’s and linen worsted wool count wool yarn formed with wool fibers having diameters of 18.5 micron or less (provided for in subheading 5107.10.00)	Free	No change	No change	On or before 12/31/2003	’’.

(b) WOOL FIBER AND WOOL TOP WITH AVERAGE DIAMETERS OF 18.5 MICRON OR LESS.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

‘‘	9902.51.14	Wool fiber, waste, garnetted stock, combed wool, or wool top, having average fiber diameters of 18.5 micron or less (provided for in subheadings 5101.11, 5101.19, 5101.21, 5101.29, 5101.30, 5103.10, 5103.20, 5104.00, 5105.21, or 5105.29)	Free	No change	No change	On or before 12/31/2003	’’.

(c) EFFECTIVE DATE.—The amendments made by this section apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2001.

SEC. 503. SEPARATE TARIFF LINE TREATMENT FOR WOOL YARN AND MEN’S OR BOYS’ SUITS AND SUIT-TYPE JACKETS AND TROUSERS OF WORSTED WOOL FABRIC.

(a) SEPARATE TARIFF LINE TREATMENT.—The President shall proclaim 8-digit tariff categories, without changes in existing duty rates, in chapters 51 and 62 of the Harmonized Tariff Schedule of the United States in order to provide separate tariff treatment for—

(1) wool yarn made of wool fiber with an average fiber diameter of 18.5 micron or less, and wool fabrics made from yarns with an average fiber diameter of 18.5 micron or less; and

(2) men’s or boys’ suits, suit-type jackets and trousers of worsted wool fabric, made of wool yarn having an average diameter of 18.5 micron or less.

(b) CONFORMING CHANGES.—The President is authorized to make conforming changes in headings 9902.51.11, 9902.51.12, 9902.51.13, and 9902.51.14 of the Harmonized Tariff Schedule of the United States to take into account the new permanent tariff categories proclaimed under subsection (a).

SEC. 504. MONITORING OF MARKET CONDITIONS AND AUTHORITY TO MODIFY TARIFF REDUCTIONS.

(a) MONITORING OF MARKET CONDITIONS.—Beginning on the date of the enactment of this Act, the President shall monitor market conditions in the United States, including domestic demand, domestic supply, and increases in domestic production, of worsted wool fabrics and their components in the market for—

(1) men's or boys' worsted wool suits, suit-type jackets, and trousers;

(2) worsted wool fabric and yarn used in the manufacture of such suits, jackets and trousers; and

(3) wool used in the production of such fabrics and yarn.

(b) AUTHORITY TO MODIFY LIMITATION ON QUANTITY OF WORSTED WOOL FABRICS SUBJECT TO TARIFF REDUCTION.—

(1) IN GENERAL.—The President shall, on an annual basis, consider requests made by United States manufacturers of apparel products made of worsted wool fabrics described in subsection (a) to modify the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the Harmonized Tariff Schedule of the United States, as required by U.S. Notes 15 and 16 of subchapter II of chapter 99 of such Schedule, respectively.

(2) CONSIDERATION OF CERTAIN MARKET CONDITIONS.—In determining whether to modify the limitation on the quantity of imports of worsted wool fabrics described in paragraph (1), the President shall consider the following United States market conditions:

(A) Increases or decreases in sales of the domestically-produced worsted wool fabrics described in subsection (a).

(B) Increases or decreases in domestic production of such fabrics.

(C) Increases or decreases in domestic production and consumption of the apparel items described in subsection (a).

(D) The ability of domestic producers of worsted wool fabrics described in subsection (a) to meet the needs of domestic manufacturers of the apparel items described in subsection (a) in terms of quantity and ability to meet market demands for the apparel items.

(E) Evidence that domestic manufacturers of worsted wool fabrics have lost sales due to the temporary duty reductions on certain worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the Harmonized Tariff Schedule of the United States (as added by subsections (a) and (b) of section 501).

(F) Evidence that domestic manufacturers of apparel items described in subsection (a) have lost sales due to the inability to purchase adequate supplies of worsted wool fabrics on a cost competitive basis.

(G) Price per square meter of imports and domestic sales of worsted wool fabrics.

(3) MODIFICATION OF LIMITATION ON QUANTITY OF FABRICS.—

(A) IN GENERAL.—If the President determines that the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the Harmonized Tariff Schedule of the United States should be modified, the President shall proclaim such changes to U.S. Note 15 or 16 to subchapter II of chapter 99 of such Schedule (as added by section 501(d)), as the President determines to be appropriate.

(B) ADDITIONAL REQUIREMENT.—In any calendar year, any modification of the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the Harmonized Tariff Schedule of the United States shall not exceed—

(A) 1,000,000 square meter equivalents for worsted wool fabrics under heading 9902.51.11; and

(B) 1,000,000 square meter equivalents for worsted wool fabrics under heading 9902.51.12.

(c) IMPLEMENTATION.—The President shall issue regulations necessary to implement the provisions of this section.

SEC. 505. REFUND OF DUTIES PAID ON IMPORTS OF CERTAIN WOOL ARTICLES.

(a) WORSTED WOOL FABRICS.—In each of the calendar years 2000, 2001, and 2002, a manufacturer of men's or boys' suits, suit-type jackets, or trousers (not a broker or other individual acting on behalf of the manufacturer to process the import) of imported worsted wool fabrics of the kind described in heading 9902.51.11 or 9902.51.12 of the Harmonized Tariff Schedule of the United States shall be eligible for a refund of duties paid on entries of such fabrics in each such calendar year in an amount equal to one-third of the amount of duties paid by the importer on such worsted wool fabrics (without regard to micron level) imported in calendar year 1999.

(b) WOOL YARN.—In each of the calendar years 2000, 2001, and 2002, a manufacturer of worsted wool fabrics who imports wool yarn of the kind described in heading 9902.51.13 of the Harmonized Tariff Schedule of the United States shall be eligible for a refund of duties paid on entries of such wool yarn in each such calendar year in an amount equal to one-third of the amount of duties paid by the manufacturer on such wool yarn (without regard to micron level) imported in calendar year 1999.

(c) WOOL FIBER AND WOOL TOP.—In each of the calendar years 2000, 2001, and 2002, a manufacturer of wool yarn or wool fabric who imports wool fiber or wool top of the kind described in heading 9902.51.14 of the Harmonized Tariff Schedule of the United States shall be eligible for a refund of duties paid on entries of such wool fiber in each such calendar year in an amount equal to one-third of the amount of duties paid by the manufacturer on such wool fiber (without regard to micron level) imported in calendar year 1999.

(d) PROPER IDENTIFICATION AND APPROPRIATE CLAIM.—Any person applying for a rebate under this section shall properly identify and make appropriate claim for each entry involved.

SEC. 506. WOOL RESEARCH, DEVELOPMENT, AND PROMOTION TRUST FUND.

(a) ESTABLISHMENT.—There is hereby established within the Treasury of the United States a trust fund to be known as the Wool Research, Development, and Promotion Trust Fund (hereinafter in this section referred to as the ''Trust Fund''), consisting of such amounts as may be transferred to the Trust Fund under subsection (b)(1) and any amounts as may be credited to the Trust Fund under subsection (c)(2).

(b) TRANSFER OF AMOUNTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund that are attributable to the duty received on articles under chapters 51 and 52 of the Harmonized Tariff Schedule of the United States, subject to the limitation in paragraph (2).

(2) LIMITATION.—The Secretary shall not transfer more than $2,250,000 to the Trust Fund in any fiscal year.

(3) TRANSFERS BASED ON ESTIMATES.—The amounts required to be transferred under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

(c) INVESTMENT OF TRUST FUND.—

(1) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price or by purchase of outstanding obligations at the market price. Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

(2) INTEREST AND PROCEEDS FROM SALE OR REDEMPTION OF OBLIGATIONS.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(d) AVAILABILITY OF AMOUNTS FROM TRUST FUND.—From amounts available in the Trust Fund (including any amounts not obligated in previous fiscal years), the Secretary of Agriculture is authorized to provide grants to a nationally-recognized council established for the development of the United States wool market for the following purposes:

(1) Assist United States wool producers to improve the quality of wool produced in the United States, including to improve wool production methods.

(2) Disseminate information on improvements described in paragraph (1) to United States wool producers generally.

(3) Assist United States wool producers in the development and promotion of the wool market.

(e) REPORTS TO CONGRESS.—The Secretary of the Treasury, in consultation with the Secretary of Agriculture, shall prepare and submit to Congress an annual report on the financial condition and the results of the operations of the Trust Fund, including a description of the use of amounts of grants provided under subsection (d), during the preceding fiscal year and on its expected condition and operations during the next fiscal year.

(f) SUNSET PROVISION.—Effective January 1, 2004, the Trust Fund shall be abolished and all amounts in the Trust Fund on such date shall be transferred to the general fund of the Treasury of the United States.

TITLE VI—REVENUE PROVISIONS

SEC. 601. APPLICATION OF DENIAL OF FOREIGN TAX CREDIT REGARDING TRADE AND INVESTMENT WITH RESPECT TO CERTAIN FOREIGN COUNTRIES.

(a) IN GENERAL.—Section 901(j) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., regarding trade and investment with respect to certain foreign countries) is amended by adding at the end the following new paragraph:

''(5) WAIVER OF DENIAL.—

''(A) IN GENERAL.—Paragraph (1) shall not apply with respect to taxes paid or accrued to a country if the President—

''(i) determines that a waiver of the application of such paragraph is in the national interest of the United States and will expand trade and investment opportunities for United States companies in such country, and

''(ii) reports such waiver under subparagraph (B).

''(B) REPORT.—Not less than 30 days before the date on which a waiver is granted under this paragraph, the President shall report to Congress—

''(i) the intention to grant such waiver, and

''(ii) the reason for the determination under subparagraph (A)(i).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply on or after February 1, 2001.

SEC. 602. ACCELERATION OF COVER OVER PAYMENTS TO PUERTO RICO AND VIRGIN ISLANDS.

(a) INITIAL PAYMENT.—Section 512(b) of the Ticket to Work and Work Incentives Improvement Act of 1999 is amended—

(1) by striking ''October 1, 2000,'' in the matter preceding paragraph (1) and inserting ''the first day of the month within which the date of enactment of the Trade and Development Act of 2000 occurs,'', and

(2) by striking paragraph (2) and inserting the following new paragraph:

''(2) SECOND TRANSFER OF INCREMENTAL INCREASE IN COVER OVER ATTRIBUTABLE TO PERIODS BEFORE RESUMPTION OF REGULAR PAYMENTS.—The Secretary of the Treasury shall transfer on the first payment date after the date of enactment of the Trade and Development Act of 2000 an amount equal to the excess of—

''(A) the amount of such increase otherwise required to be covered over after June 30, 1999, and before the first day of the month within which such date of enactment occurs, over

''(B) the amount of the transfer described in paragraph (1).''.

(b) CLARIFICATION OF DISPOSITION OF TAXES TO VIRGIN ISLANDS.—So much of paragraph (3) of section 7652(b) of the Internal Revenue Code of 1986 (relating to Virgin Islands) as precedes subparagraph (B) thereof is amended to read as follows:

''(3) DISPOSITION OF INTERNAL REVENUE COLLECTIONS.—The Secretary shall determine the amount of all taxes imposed by, and collected under the internal revenue laws of the United States on articles produced in the Virgin Islands and transported to the United States. The amount so determined less 1 percent and less the estimated amount of refunds or credits shall be subject to disposition as follows:

''(A) The payment of an estimated amount shall be made to the government of the Virgin Islands before the commencement of each fiscal year as set forth in section 4(c)(2) of the Act entitled 'An Act to authorize appropriations for certain insular areas of the United States, and for other purposes', approved August 18, 1978 (48 U.S.C. 1645), as in effect on the date of enactment of the Trade and Development Act of 2000. The payment so made shall constitute a separate fund in the treasury of the Virgin Islands and may be expended as the legislature may determine.''.

(c) RESOLUTION OF STATUTORY CONFLICT.—Section 7652 of the Internal Revenue Code of 1986 (relating to shipments to the United States) is amended by adding at the end the following new subsection:

''(h) MANNER OF COVER OVER OF TAX MUST BE DERIVED FROM THIS TITLE.—No amount shall be covered into the treasury of Puerto Rico or the Virgin Islands with respect to taxes for which cover over is provided under this section unless made in the manner specified in this section without regard to—

''(1) any provision of law which is not contained in this title or in a revenue Act, and

''(2) whether such provision of law is a subsequently enacted provision or directly or indirectly seeks to waive the application of this subsection.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to transfers or payments made after the date of enactment of this Act.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

From the Committee on International Relations, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BENJAMIN A. GILMAN,
EDWARD R. ROYCE,
SAM GEJDENSON,

From the Committee on Ways and Means, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BILL ARCHER,
PHIL CRANE,
CHARLES B. RANGEL,

As additional conferees, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

AMO HOUGHTON,
JOE HOEFFEL,

Managers on the Part of the House.

W.V. ROTH, Jr.,
CHUCK GRASSLEY,
TRENT LOTT,
DANIEL P. MOYNIHAN,
MAX BAUCUS,
JOE BIDEN,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 434), to authorize a new trade and investment policy for sub-Sahara Africa, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

SUBTITLE A—TRADE POLICY FOR SUB-SAHARAN AFRICA

SEC. 101. SHORT TITLE

Present law

No provision.

House bill

Section 1 of the House bill states that this Act may be cited as the ''African Growth and Opportunity Act.''

Senate amendment

Section 101 of the Senate amendment states that this title may be cited as the ''African Growth and Opportunity Act.''

Conference agreement

The conference agreement provides that title I of the bill may be referred to as the African Growth and Opportunity Act.

SEC. 102. FINDINGS

Present law

No provision.

House bill

In section 2 of the House bill, Congress finds that it is in the mutual economic interest of the United States and countries of sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa and that sustained economic growth in sub-Saharan Africa depends in large measure upon the development of a receptive environment for trade and investment. To that end, the United States seeks to facilitate market-led economic growth in, and thereby the social and economic development of, countries in sub-Saharan Africa. In particular, the United States seeks to assist sub-Saharan African countries, and the private sector in those countries, to achieve economic self-reliance by:

(1) strengthening and expanding the private sector in sub-Saharan Africa, especially women owned businesses;

(2) encouraging increased trade and investment between the U.S. and sub-Saharan Africa;

(3) reducing tariff and nontariff barriers and other trade obstacles;

(4) expanding U.S. assistance to sub-Saharan Africa's regional integration efforts;

(5) negotiating free trade areas;

(6) establishing a United States-Sub-Saharan Africa Trade and Investment Partnership;

(7) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(8) establishing a United States-Sub Saharan Africa Economic Cooperation Forum; and

(9) continuing to support development assistance for countries in sub-Saharan Africa attempting to build civil societies.

Senate amendment

In section 102 of the Senate amendment, Congress finds that:

(1) it is in the mutual interest of the United States and the countries of sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa;

(2) the 48 countries of sub-Saharan Africa form a region richly endowed with both natural and human resources;

(3) sub-Saharan Africa represents a region of enormous economic potential and of enduring political significance to the United States;

(4) the region has experienced a rise in both economic development and political freedom as countries in sub-Saharan Africa have taken steps toward liberalizing their economies and encouraged broader participation in the political process;

(5) the countries of sub-Saharan Africa have made progress toward regional economic integration that can have positive benefits for the region;

(6) despite those gains, the per capita income in sub-Saharan Africa averages less than $500 annually;

(7) U.S. foreign direct investment in the region has fallen in recent years and the sub-Saharan African region receives only minor inflows of direct investment from around the world;

(8) trade between the United States and sub-Saharan Africa remains, apart from the import of oil, an insignificant part of total U.S. trade;

(9) trade and investment, as the American experience has shown, can represent powerful tools both for economic development and for building a stable political environment in which political freedom can flourish;

(10) increased trade and investment flows have the greatest impact in an economic environment in which trading partners eliminate barriers to trade and capital flows and encourage the development of a vibrant private sector that offers individual African citizens the freedom to expand their economic opportunities and provide for their families;

(11) offering the countries of sub-Saharan Africa enhanced trade preferences will encourage both higher levels of trade and direct investment in support of the positive economic and political developments under way throughout the region; and

(12) encouraging the reciprocal reduction of trade and investment barriers in Africa will enhance the benefits of trade and investment for the region as well as enhance commercial and political ties between the United States and sub-Saharan Africa.

Conference agreement

The House recedes to the Senate except to delete certain findings related to the decline in foreign direct investment in sub-Saharan Africa and the low levels of U.S. trade with sub-Saharan Africa. In addition, the conference agreement clarifies the findings related to the political and economic development.

SEC. 103. STATEMENT OF POLICY

Present law

No provision.

House bill

In section 3 of the House bill, Congress supports economic self-reliance for sub-Saharan African countries, particularly those committed to economic and political reform; market incentives and private sector growth; the eradication of poverty; and the importance of women to economic growth and development.

Senate amendment

Section 103 of the Senate amendment states the support of the Congress for:

(1) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(2) reducing tariff and nontariff barriers and other obstacles to sub-Saharan African and U.S. trade;

(3) expanding U.S. assistance to sub-Saharan Africa's regional integration efforts;

(4) negotiating reciprocal and mutually beneficial trade agreements, including the possibility of establishing free trade areas that serve the interests of both the United States and countries in sub-Saharan Africa;

(5) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(6) strengthening and expanding the private sector in sub-Saharan Africa;

(7) supporting the development of civil societies and political freedom in sub-Saharan Africa; and

(8) establishing a United States-Sub-Saharan African Economic Cooperation Forum.

In section 717 of the Senate amendment, Congress makes the following:

(1) Corruption and bribery of public officials is a major problem in many African countries and represents a serious threat to the development of a functioning domestic private sector, to United States business and trade interests, and to prospects for democracy and good governance in African countries.

(2) Of the 17 countries in sub-Saharan Africa rated by the international watchdog group, Transparency International, as part of the 1998 Corruption Perception Index, 13 ranked in the bottom half.

(3) The Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which has been signed by all 29 members of the OECD plus Argentina, Brazil, Bulgaria, Chile, and the Slovak Republic and which entered into force on February 15, 1999, represents a significant step in the elimination of bribery and corruption in international commerce.

(4) As a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the United States should encourage the highest standards possible with respect to bribery and corruption.

Section 717 of the Senate amendment expresses the sense of Congress that the United States should encourage at every opportunity the accession of sub-Saharan African countries, as defined in section 104, to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Conference agreement

The House recedes to the Senate with the addition of language from the House bill related to the importance of small businesses and women owned enterprises in strengthening and expanding the private sector in sub-Saharan Africa. In addition, the conference agreement includes a new policy statement, based on section 717 of the Senate bill, expressing Congressional support for the accession of countries in sub-Saharan Africa to the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of the Organization for Economic Cooperation and Development.

SEC. 104. ELIGIBILITY REQUIREMENTS

Present law

Title V of the Trade Act of 1974 grants authority to the President under the Generalized System of Preferences (GSP) program to provide duty-free treatment on imports of eligible articles from beneficiary developing countries (BDC), which meet specific eligibility criteria.

House bill

Section 4 of the House bill states that a sub-Saharan African country shall be eligible to participate in programs, projects, or activities, or receive assistance or other benefits under this Act if the President determines that the country does not engage in gross violations of internationally recognized human rights and has established, or is making continual progress toward establishing, a market economy, such as the establishment and enforcement of appropriate policies relating to:

(1) promoting free movement of goods and services between the United States and sub-Saharan Africa and among countries in sub-Saharan Africa;

(2) promoting the expansion of the production base and the transformation of commodities and nontraditional products for export through joint venture projects between African and foreign investors;

(3) trade issues, such as the protection of intellectual property rights, improvements in standards, testing, labeling and certification, and government procurement;

(4) the protection of property rights, such as protection against expropriation and a functioning and fair judicial system;

(5) the protection of internationally recognized worker rights, including the right of association, the right to organize and bargain collectively, a prohibition on the use of any form of forced or compulsory labor, a minimum age for the employment of children, and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

(6) appropriate fiscal systems, such as reducing high import and corporate taxes, controlling government consumption, participation in bilateral investment treaties, and the harmonization of such treaties to avoid double taxation;

(7) foreign investment issues, such as the provision of national treatment for foreign investors, removing restrictions on investment, and other measures to create an environment conducive to domestic and foreign investment;

(8) supporting the growth of regional markets within a free trade area framework;

(9) governance issues, such as eliminating government corruption, minimizing government intervention in the market such as price controls and subsidies, and streamlining the business license process;

(10) supporting the growth of the private sector, in particular by promoting the emergence of a new generation of African entrepreneurs;

(11) encouraging the private ownership of government-controlled economic enterprises through divestiture programs; and

(12) observing the rule of law, including equal protection under the law and the right to due process and a fair trial.

In determining whether a sub-Saharan African country is eligible under this section, the President shall take into account the following factors:

(1) an expression by a country of its desire to be an eligible country;

(2) the extent to which a country has made substantial progress toward reducing tariff levels, binding its tariffs in the World Trade Organization (WTO) and assuming meaningful binding obligations in other sectors of trade, and eliminating nontariff barriers to trade;

(3) whether such country, if not already a member of the WTO, is actively pursuing membership in that organization;

(4) the extent to which such country has a recognizable commitment to reducing poverty, increasing the availability of health care and educational opportunities, the expansion of physical infrastructure in a manner designed to maximize accessibility, increased access to market and credit facilities for small farmers and producers, and improved economic opportunities for women as entrepreneurs and employees, and promoting and enabling the formation of capital to support the establishment and operation of micro-enterprises;

(5) whether or not such country engages in activities that undermine U.S. national security or foreign policy interests.

The President shall monitor and review the progress of sub-Saharan African countries in order to determine their current or potential eligibility to participate in this Act. Such determinations shall be based on quantitative factors to the fullest extent possible and shall be included in the annual report requested by section 15 of this Act.

A sub-Saharan African country that has not made continual progress in meeting the requirements with which it is not in compliance shall be ineligible to participate in programs, projects, or activities, or receive assistance or other benefits, under this Act.

Senate amendment

Section 111 of the Senate amendment amends title V of the Trade Act of 1974 by inserting after section 506 a new section 506A on the ''Designation of sub-Saharan African countries for certain benefits.''

Notwithstanding any other provision of law, the President is authorized to designate a sub-Saharan African country eligible for the enhanced GSP benefits, if the President determines that the country:

(A) has established, or is making continual progress toward establishing:

(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes;

(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise; and

(v) a system to combat corruption and bribery, such as signing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

(B) does not engage in gross violations of internationally recognized human rights or

provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

(C) subject to the authority granted to the President under the GSP program, otherwise satisfies the GSP eligibility criteria.

The President shall monitor and review the progress of each sub-Saharan African country in meeting these eligibility requirements described in paragraph 1 in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country. The President shall include the reasons for the determinations in the annual report required by section 115 of this title.

If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the eligibility requirements, the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective January 1 of the year following the year in which such determination is made.

Conference agreement

The conference agreement authorizes the President to designate a sub-Saharan African country that meets the eligibility criteria as eligible for the economic development related provisions in subtitle C. The eligibility criteria as in effect on the date of enactment apply to the trade benefits through an amendment to the Trade Act of 1974 included in subtitle B.

The eligibility criteria as contained in the conference report reflect the Senate provisions, with the addition of criteria from the House bill on the protection of internationally recognized worker rights and the prohibition on the designation of countries as eligible under this Act that engage in activities that undermine U.S. national security or foreign policy interests. In addition, the conference agreement incorporates elements from the House bill on the provision of national treatment and measures to create an environment conducive to domestic and foreign investment; minimizing government interference in the economy through price controls, subsidies, and government ownership of economic assets; the protection of intellectual property; and the importance of micro-credit to the formation of capital markets.

The section also stipulates that the President shall terminate the eligibility for preferential treatment under this Act for any sub-Saharan African country that is making continual progress in meeting the eligibility requirements.

The eligibility criteria are designed to identify sub-Saharan countries that are creating a climate conducive to greater levels of trade and investment, and with which the U.S. can build a growing economic partnership. While this section is designed to afford flexibility in this identification, and while the conferees have no target number of participants, it is clear that several sub-Saharan African countries unfortunately have in place policies that would not qualify them from accessing the benefits of the bill. These are sub-Saharan African countries that discourage trade and investment. The conferees note that the eligibility criteria are similar to those USAID uses to allocate development assistance among African countries.

The conferees urge the President to make determinations regarding country eligibility as soon as practicable.

SEC. 105. UNITED STATES-SUB-SAHARAN AFRICA TRADE AND ECONOMIC COOPERATION FORUM

Present law

No provision.

House bill

Section 5 of the House bill requires the President to convene annual high-level meetings between appropriate officials of the U.S. government and the governments of sub-Saharan African countries in order to foster closer economic ties. Not later than 12 months after enactment, the section requires the President, after consulting with Congress and the governments concerned, shall establish a United States-Sub-Saharan Africa Trade and Economic Cooperation Forum.

In creating the Forum, the President shall:

(1) direct the Secretaries of Commerce, the Treasury, State, and the United States Trade Representative (USTR) to host the first annual meeting with their counterparts from eligible sub-Saharan African countries, the Secretary General of the Organization of African Unity, and government officials from other appropriate countries in Africa to discuss expanding trade and investment relations between the United States and sub-Saharan Africa and the implementation of this Act;

(2) in consultation with Congress, encourage U.S. non-governmental organizations (NGOs) and representatives of the private sector to host annual meetings with their respective counterparts from sub-Saharan Africa in conjunction with the annual meetings of the Forum; and

(3) to the extent practicable, meet with the heads of government of eligible sub-Saharan African countries no less than once every 2 years. The first meeting should take place not later than 12 months after enactment.

In order to assist in carrying out the purposes of the Forum, the United States Information Agency shall disseminate regularly, through multiple media, economic information in support of the free market economic reforms described in this Act.

The provision authorizes such sums as may be necessary to carry out this section. None of the funds authorized under this section may be used to create or support any NGO for the purpose of expanding or facilitating trade between the United States and sub-Saharan Africa.

Senate amendment

Section 113 of the Senate amendment requires the President to convene annual meetings between senior officials of the U.S. Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa. Not later than 12 months after the date of enactment, the President, after consulting with the officials of interested sub-Saharan African governments, shall establish a United States-Sub-Saharan African Trade and Economic Cooperation Forum.

In creating the Forum, the President shall:

(1) direct the Secretaries of Commerce, the Treasury, State, and the USTR to invite their counterparts from interested sub-Saharan African governments and representatives of appropriate regional organizations to participate in the first annual meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa;

(2) in consultation with Congress, invite U.S. NGOs and private sector representatives to host meetings with their respective counterparts from sub-Saharan Africa in conjunction with meetings of the Forum to discuss expanding trade and investment relations between the United States and sub-Saharan Africa;

(3) as soon as practicable after enactment, meet with the heads of the governments of interested sub-Saharan African countries for the purpose of discussing the issues described in paragraph 1.

In selecting issues of common interest to the United States-Sub-Saharan African Trade and Economic Cooperation Forum, section 706 of the Senate amendment requires the President to instruct the U.S. delegates to the Forum to promote a review by the Forum of the HIV/AIDS epidemic in each sub-Saharan African country and the effect of the HIV/AIDS epidemic on human and social development in each country.

Conference agreement

In order to expand U.S. trade and investment relations with sub-Saharan Africa and achieve the goals of the Act, the conferees believe that it is important to foster a regular dialogue between U.S. government officials and their counterparts from sub-Saharan African countries. Therefore, the legislation establishes a yearly forum at the Ministerial level to facilitate these discussions. The conferees also believe that it would help to promote the goals of this Act if the President, to the extent practicable, met with the heads of state of sub-Saharan African governments not less than once every two years.

With respect to the countries eligible to participate in the Forum and the heads of state meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa and the implementation of this title, the Senate recedes to the House with a modification to permit participation by countries that the President determines are taking substantial positive steps towards meeting the eligibility requirements set forth in section 104 of the Act (as well as countries that are found eligible under section 104). The conferees expect the Administration to interpret this provision narrowly to allow as Forum participants only those countries that are undertaking substantial, positive reforms, although they may not satisfy all of the eligibility requirements. In addition, the conference agreement directs the Administration to invite to the Forum appropriate representatives of sub-Saharan African regional organizations, and government officials from other appropriate countries in sub-Saharan Africa.

In addition, the conference agreement requires the President to encourage NGOs and representatives of the private sector to host annual meetings with their respective counterparts from sub-Saharan Africa in conjunction with the annual meetings of the Forum. The conferees observe that there is no precedent of using taxpayer funds to facilitate such meetings in conjunction with other multilateral fora and do not intend that taxpayer funds should be used in this instance.

The conference agreement updates the reference to the United States Information Agency from the House bill to the United States Information Service.

The conference agreement also includes the language from section 706 of the Senate amendment requiring the President to direct the U.S. delegates at the Forum to promote a review by the Forum on the HIV/AIDS epidemic in sub-Saharan Africa and the effect of the HIV/AIDS epidemic on the economic development of each country in sub-Saharan Africa.

SEC. 106. REPORTING REQUIREMENT

Present law

Section 134(b) of the Uruguay Round Agreements Act requires the President to submit five annual reports to Congress on his ''Comprehensive Trade and Development Policy for Countries in Africa.'' The President's fifth and final report was submitted in January 2000.

House bill

Section 15 of the House bill requires the President to submit to Congress, not later

than 1 year after enactment and for 6 years thereafter, a comprehensive report on the trade and investment policy of the United States for sub-Saharan Africa, and on the implementation of this Act. The last report required by section 134(b) of the Uruguay Round Agreements Act shall be consolidated and submitted with the first report required by this section.

Senate amendment

Section 115 of the Senate amendment requires the President to submit a report to Congress on the implementation of this title not later than 1 year after the date of enactment of this Act, and annually thereafter for 4 years.

Conference agreement

The conference agreement reflects House language requiring annual Presidential reports for 8 years on the trade and investment policy of the United States toward sub-Saharan Africa and on the implementation of this title, but strikes the language on the consolidation of the final report required by the Uruguay Round Agreements Act. This report was submitted to Congress in January 2000.

SEC. 107. SUB-SAHARAN AFRICA DEFINED

Present law

No provision.

House bill

Section 16 of the House bill defines the terms 'sub-Saharan Africa', 'sub-Saharan African country', 'country in sub-Saharan Africa', and 'countries in sub-Saharan Africa' for the purposes of this Act as referring to the following or any successor political entities:

Republic of Angola (Angola), Republic of Botswana (Botswana), Republic of Burundi (Burundi), Republic of Cape Verde (Cape Verde), Republic of Chad (Chad), Democratic Republic of Congo, Republic of the Congo (Congo), Republic of Djibouti (Djibouti), State of Eritrea (Eritrea), Gabonese Republic (Gabon), Republic of Ghana (Ghana), Republic of Guinea-Bissau (Guinea-Bissau), Kingdom of Lesotho (Lesotho), Republic of Madagascar (Madagascar), Republic of Mali (Mali), Republic of Mauritius (Mauritius), Republic of Namibia (Namibia), Federal Republic of Nigeria (Nigeria), Democratic Republic of Sao Tome and Principe (Sao Tome and Principe), Republic of Sierra Leone (Sierra Leone), Somalia, Kingdom of Swaziland (Swaziland), Republic of Togo (Togo), Republic of Zimbabwe (Zimbabwe), Republic of Benin (Benin), Burkina Faso (Burkina), Republic of Cameroon (Cameroon), Central African Republic, Federal Islamic Republic of the Comoros (Comoros), Republic of Cote d'Ivoire (Cote d'Ivoire), Republic of Equatorial Guinea (Equatorial Guinea), Ethiopia, Republic of the Gambia (Gambia), Republic of Guinea (Guinea), Republic of Kenya (Kenya), Republic of Liberia (Liberia), Republic of Malawi (Malawi), Islamic Republic of Mauritania (Mauritania), Republic of Mozambique (Mozambique), Republic of Niger (Niger), Republic of Rwanda (Rwanda), Republic of Senegal (Senegal), Republic of Seychelles (Seychelles), Republic of South Africa (South Africa), Republic of Sudan (Sudan), United Republic of Tanzania (Tanzania), Republic of Uganda (Uganda), Republic of Zambia (Zambia).

Senate amendment

Section 104 of the Senate amendment is identical to the House bill provision except for the exclusion of the language applying the definition to any successor political entities.

Conference agreement

The conference agreement includes the language from the House bill permitting the designation of successor political entities of the countries listed for benefits under this title. In addition, the conference agreement arranges the list of countries in alphabetical order.

SUBTITLE B—TRADE PROVISIONS

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS

Present law

Title V of the Trade Act of 1974, as amended, grants authority to the President to provide duty-free treatment on imports of eligible articles from beneficiary developing countries (BDC). Under section 503(a)(1), the President may not designate any article as GSP eligible within the following categories:

(1) textiles and apparel articles which were not eligible articles for purposes of this title on January 1, 1994;

(2) watches, except watches entered after June 30, 1989 that the President determines will not cause material injury to watch or watch band, strap, or bracelet manufacturing and assembly operations in the United States or U.S. insular possessions;

(3) import-sensitive electronic articles;

(4) import-sensitive steel articles;

(5) footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel which were not GSP eligible articles on January 1, 1995;

(6) import-sensitive semimanufactured and manufactured glass products; and,

(7) any other articles the President determines to be import-sensitive in the context of GSP.

Under section 502(a)(2), the President is authorized to designate any article that is the growth, product, or manufacture of a least developed developing country (LDDC) as an eligible article with respect to imports from LDDCs, if the President determines such article is not import-sensitive in the context of imports from LDDCs. This authority does not apply to statutorily exempt articles listed under paragraphs (1), (2) , and (5) above.

Under section 503(b)(3), no quantity of an agricultural product subject to a tariff-rate quota that exceeds the in-quota quantity is eligible for duty-free treatment.

Under section 503(c)(2)(D), whenever the President determines that exports by any BDC to the United States of a GSP eligible article (1) exceed a dollar limit of $75 million a year (a number which was set in 1996 and is indexed to increase by $5 million annually), or (2) equal or exceed a 50 percent share of the total value of U.S. imports of the article, then, not later than July 1 of the next year, such country is not treated as a BDC with respect to such article.

Under section 503(c)(2)(A), GSP duty-free treatment applies to any eligible article which is the growth, product or manufacture of a BDC if: (1) that article is imported directly from a BDC into the U.S. customs territory; and, (2) the sum of (a) the cost or value of the materials produced in the BDC or member countries in an association which is treated as one BDC, plus (b) the direct costs of processing operations performed in such BDC or member countries is not less than 35 percent of the value of the article.

Under section 505, no duty-free treatment shall remain in effect after September 30, 2001.

House bill

In order to receive extended and enhanced GSP benefits under the House bill, sub-Saharan African countries must meet all of the criteria in current law regarding designation of beneficiary developing countries and also the eligibility requirements set forth in section 4 of H.R. 434. The existing statutory GSP designation criteria include internationally recognized worker rights, intellectual property rights, compensation for property expropriation, and market access.

Section 8(a) of the House bill amends section 503(a)(1) of the Trade Act of 1974 to authorize the President to grant duty-free GSP treatment for products from eligible African GSP beneficiary countries that are currently excluded from the GSP program, if, after receiving advice from the International Trade Commission, he determines that imports of these products are not import sensitive in the context of imports from sub-Saharan African countries. Opportunities for public comment would be provided in making this determination.

The House bill does not change the rule of origin requirements under current law for GSP duty-free treatment on any currently eligible or any additional products, including textiles and apparel.

With respect to the second required test of value content, section 8(b) of the House bill amends section 503(a)(2) of the Trade Act of 1974 to allow up to 15 percent of the total value of the article from U.S.-made materials to count toward the 35 percent local value requirement for duty-free entry under the GSP program. In order to encourage regional economic integration in Africa, the bill provides that the minimum 35 percent local value content may be cumulated in any eligible sub-Saharan African country.

Section 8(c) amends section 503(c)(2)(D) of the Trade Act of 1974 to stipulate that the competitive need limits do not apply to imports from eligible countries in sub-Saharan Africa.

Section 8(d) amends section 505 of the Trade Act of 1974 to extend the GSP program until June 30, 2009, for eligible countries in sub-Saharan Africa.

Section 8(f) establishes July 1, 1999 as the effective date for the amendments made to the GSP program for sub-Saharan Africa.

Senate amendment

Section 111 of the Senate amendment creates a new section 506A in the Trade Act of 1974, authorizing the President to provide duty-free treatment for imports from beneficiary sub-Saharan African countries of any item, other than textiles or apparel products or textile luggage, that is designated as import sensitive under section 503(b)(1) of title V of the Trade Act of 1974. A beneficiary sub-Saharan African country is defined as those that meet the eligibility criteria under GSP and the criteria added under the new section 506A of the Trade Act of 1974. The general rules of origin governing duty-free entry under the GSP program would continue to apply, except that, in determining whether products are eligible for the enhanced benefits of the bill, up to 15 percent of the appraised value of the article at the time of importation may be derived from materials produced in the United States. In addition, under the new section 506A, the value of materials produced in any beneficiary sub-Saharan African country may be applied in determining whether the product meets the applicable rules of origin for purposes of determining the eligibility of an article to receive the duty-free treatment provided by this section. Section 111 also amends section 503(c)(2)(D) to waive permanently the competitive need limits that would otherwise apply to beneficiary sub-Saharan African countries.

The new section 506A established by section 111 of the Senate amendment also requires the President to monitor, and report annually to Congress, on the progress the sub-Saharan African countries have made in meeting the three categories of eligibility criteria set forth. The new section 506A requires the President to terminate the designation of a country as a beneficiary sub-Saharan African country if that country is

not making continual progress in meeting the eligibility requirements. Any such termination would be effective on January 1 of the year following the year in which the determination is made that the eligibility criteria are no longer met.

Section 111 of the Senate amendment sets as a termination date for the duty-free treatment provided by this title as September 30, 2006. It further includes a clerical amendment to the table of contents in title V of the Trade Act of 1974 and sets the effective date for this title as October 1, 1999.

Conference agreement

The House recedes to the Senate on the creation of a new section 506A in the Trade Act of 1974 for the ''Designation of Sub-Saharan African Countries for Certain Benefits.'' The provision incorporates the eligibility requirements in section 107 as in effect on the date of enactment, as well as the eligibility requirements in the GSP program, for countries to receive the enhanced trade benefits under subtitle B.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL

Present law

At present, textile and apparel articles are ineligible for duty-free treatment under the GSP program. Normal trade relations tariff rates apply to imports of textile and apparel articles into the United States from sub-Saharan Africa. Currently, only two countries in sub-Saharan Africa, Kenya and Mauritius, are subject to quantitative restrictions on the levels of textile and apparel articles that they can export to the United States.

House bill

Section 4 of the House bill provides duty-free treatment under the GSP program to textile and apparel articles from eligible sub-Saharan African countries. Textile and apparel products eligible for duty-free and quota-free treatment must be substantially transformed in sub-Saharan Africa as determined by the ''Breaux-Cardin'' rules of origin enacted into law in 1994 (section 334 of P.L. 103 465). The rule of origin remains that articles must be the growth, product, or manufacture of an eligible country and also contain a minimum 35 percent local value. As under present law, processes such as simple combining, packaging, or dilution would not constitute substantial transformation to qualify an article for trade benefits under this program. The article must also be directly imported from a beneficiary country.

Section 7(b) of the House bill expresses the sense of Congress that:

(1) It would be to the mutual benefit of the countries in sub-Saharan Africa and the United States to ensure that the commitments of the World Trade Organization are faithfully implemented in each of the member countries;

(2) Reform of trade policies in sub-Saharan Africa with the objective of removing structural impediments to trade can assist the countries of the region in achieving greater diversification of textile and apparel export commodities and products and export markets; and

(3) The President should support textile and apparel trade reform in sub-Saharan Africa by providing technical assistance and encouraging business-to-business contacts with the region.

Section 7(c)(1) provides that, pursuant to the WTO Agreement on Textiles and Clothing, the United States shall eliminate the existing quotas on textile and apparel exports to the United States from Kenya and Mauritius within 30 days after these countries adopt an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents. The provision requires the Customs Service to provide technical assistance to Kenya and Mauritius in the development and implementation of visa systems.

Section 7(c)(2) requires the President to continue the existing no quota policy for other countries in sub-Saharan Africa.

Section 7(d)(1) states that the President should ensure that any sub-Saharan African country that intends to export textile and apparel goods to the United States: 1) has in place an effective visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and 2) will cooperate fully with the United States to address and take action necessary to prevent circumvention, as provided in Article 5 of the WTO Agreement on Textiles and Clothing.

Senate amendment

Section 112 of the Senate amendment provides beneficiary sub-Saharan African countries (as designated under the new section 506A of the Trade Act of 1974 created by the Senate amendment) with duty-free and quota-free access to the U.S. market for certain textiles and apparel products. In order to receive these benefits, a beneficiary sub-Saharan African country must (1) adopt an effective and efficient visa system to guard against unlawful transshipment of textile and apparel products and the use of counterfeit documents; and (2) enact legislation or regulations that would permit the U.S. Customs Service to investigate thoroughly allegations of transshipment through such country. Section 112 directs the U.S. Customs Service to provide technical assistance to the beneficiary sub-Saharan African countries in complying with these two requirements.

The benefits under section 112 of the Senate amendment are available only for the following textile and apparel products:

(1) Apparel articles assembled in beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States;

(2) Apparel articles cut and assembled in beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, and assembled with thread formed in the United States; and

(3) Handloomed, handmade and folklore articles, that have been certified as such by the competent authority in the beneficiary sub-Saharan African country.

The Senate intends that this new program of textile and apparel benefits will be administered in a manner consistent with the regulations that apply under the ''Special Access Program'' for textile and apparel articles from Caribbean and Andean Trade Preference Act countries, as described in 63 Fed. Reg. 16474–16476 (April 3, 1998). Thus, the requirement that products must be assembled from fabric formed in the United States applies to all textile components of the assembled products, including linings and pocketing, subject to the exceptions that currently apply under the ''Special Access Program.''

Section 112 also includes a safeguard measure, authorizing the President to impose appropriate remedies, including restrictions on or the removal of quota-free and duty-free treatment, in the event that imports of textile and apparel articles from a beneficiary sub-Saharan African country are being imported in such increased quantities as to cause serious damage, or actual threat of such damage, under the WTO Agreement on Textile and Clothing.

Conference agreement

The conference agreement provides preferential treatment to certain apparel articles imported from beneficiary sub-Saharan countries meeting the transhipment requirements set forth in section 113.

Duty-free and quota-free treatment is provided for the following apparel articles:

(1) apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States;

(2) apparel articles cut and assembled or knit-to-shape in one or more beneficiary sub-Saharan African countries from fabrics or yarns wholly formed and cut in the United States, from yarns wholly formed in the United States and assembled with thread formed in the United States;

(3) knit-to-shape sweaters made from cashmere and fine merino wool;

(4) apparel articles wholly assembled in one or more beneficiary sub-Saharan countries from fabrics not available in commercial quantities in the United States (e.g., those fabrics and yarns identified in Annex 401 of the NAFTA, which include fine count cotton knitted fabrics for certain apparel, linen, silk, cotton velveteen, fine wale corduroy, Harris Tweed, certain woven fabrics made with animal hairs, certain lightweight, high thread count poly-cotton woven fabrics, and certain lightweight, high thread count broadwoven fabrics used in the production of men's and boy's shirts); and

(5) certified handloomed, handmade and folklore articles.

Certain other apparel articles would be free of duties and of quantitative restrictions up to a specified level of imports. The cap on preferential treatment is 1.5% of total U.S. apparel imports (in square meter equivalents) for the first year of the bill, growing in equal increments in each of the seven succeeding one-year periods, to a maximum of 3.5% of U.S. apparel imports in the last year of the bill. The following apparel articles are eligible for preferential treatment under this cap:

(1) for the first four years of the bill, apparel articles wholly assembled in one or more lesser developed beneficiary sub-Saharan African countries (defined as beneficiary sub-Saharan African countries with a 1998 per capita GNP of less than $1500), without regard to the origin of the fabric; and

(2) apparel articles wholly assembled in one or more beneficiary sub-Saharan African countries from fabric wholly formed in one or more beneficiary countries from yarn originating either in the United States or in one or more beneficiary sub-Saharan African countries (the country of origin of the yarn is to be determined by the rules of origin set forth in section 334 of the Uruguay Round Agreements Act).

The conferees intend that the Secretary of Commerce shall determine and publish in the Federal Register in a timely manner on an annual basis the level of apparel imports (in square meter equivalents) eligible for duty-free treatment under the cap described above for each one year period. The conferees recognize that special program indicators will be necessary to identify apparel articles qualifying for duty-free treatment under the cap. In addition, in order to evaluate the trade liberalizing benefits provided under section 112 of the bill, the conferees encourage special program indicators to be created for all apparel articles covered by the bill.

The bill also provides that import relief in the form of a tariff snapback shall be provided if the Secretary determines that an article qualifying for duty-free treatment under the cap from a single beneficiary sub-Saharan African country is being imported in such increased quantities and under such conditions as to cause ''serious damage, or threat thereof'' to the domestic industry

producing the like or directly competitive article. The conference agreement directs the Secretary of Commerce to conduct inquiries under this section. Under authority delegated by Executive Order 11651, the Committee for the Implementation of Textile Agreements currently supervises the implementation of U.S. bilateral textile and apparel agreements, including making determinations of market disruption due to textile and apparel imports.

Under the bill, the Secretary of Commerce will initiate an inquiry to determine whether import relief is warranted if there has been a surge in imports under the cap from a single beneficiary sub-Saharan African country based on import data. The Secretary of Commerce shall initiate an inquiry upon written request by an interested party, when such request is supported by sufficient evidence. The conferees intend the inquiry into whether import relief is warranted to be open and transparent. Key elements for ensuring an open and transparent process include notice of initiation, opportunity for a hearing open to interested parties (if requested), opportunity for written submissions and responses, and a written, published determination setting forth the reasoning that justifies the determination. The conferees intend the Secretary of Commerce to consider all relevant information received from interested parties. Furthermore, the conferees intend that when the Secretary of Commerce relies on information that is not publicly available, that information should be, to the extent practicable, corroborated with reasonably available information.

For purposes of this section, the term ''interested party'' means any producer of a like or directly competitive article, a certified union or recognized union or group of workers which is representative of an industry engaged in the manufacture, production or sale in the United States of a like or directly competitive article, a trade or business association representing producers or sellers of like or directly competitive articles, producers engaged in the production of essential inputs for like or directly competitive articles, a certified union or group of workers which is representative of an industry engaged in the manufacture, production or sale of essential inputs for the like or directly competitive article, or a trade or business association representing companies engaged in the manufacture, production or sale of such essential inputs.

The conference agreement also authorizes the President to proclaim duty-free and quota-free treatment for fabrics and yarns not available in the United States, in addition to those fabrics and yarns already listed in Annex 401 of the NAFTA. Any interested party may request the President to consider such treatment for additional fabrics and yarns. The requesting party will bear the burden of demonstrating that a change is warranted by providing sufficient evidence. The President must make a determination within 60 calendar days of receiving a request from an interested party.

The Senate recedes to the House on the elimination of existing quotas on textile and apparel articles imported into the United States from Kenya and Mauritius.

With regards to findings and trimmings, the conference agreement states that an article eligible for preferential treatment under section 112 of the bill shall not be ineligible for such treatment because the article contains findings or trimmings of foreign origin, if such findings and trimmings do not exceed 25 percent of the cost of the components of the assembled article. For most apparel imports, findings and trimmings include sewing thread, hooks and eyes, snaps, buttons, ''bow buds'', decorative lace trim, elastic strips, and zippers, including zipper tapes, labels, and certain elastic strips. However, for apparel articles cut and assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States, sewing thread is not included in the findings or trimmings exception.

The conference agreement also provides that certain interlinings are eligible for treatment as findings and trimmings. The treatment of interlinings above shall be terminated if the President determines that U.S. manufacturers are providing such interlinings in the United States in commercial quantities.

The conference agreement further provides that an article otherwise eligible for preferential treatment under section 112 shall not be ineligible for such treatment because the article contains fibers or yarns not wholly formed in the United States or 1 or more beneficiary sub-Saharan African countries if the total weight of all such fibers and yarns is not more than 7 percent of the total weight of the article.

SEC. 113. PROTECTIONS AGAINST TRANSSHIPMENT

Present law

The Tariff Act of 1930, as amended, provides for civil monetary penalties for unlawful transshipment. These include penalties under section 1592 for up to a maximum of the domestic value of the imported merchandise or eight times the loss of revenue, as well as denial of entry, redelivery or liquidated damages for failure to redeliver the merchandise determined to be inaccurately represented. In addition, an importer may be liable for criminal penalties, including imprisonment for up to five years, under section 1001 of title 18 of the United States Code for making false statements on import documentation.

House bill

Section 7(c)(1) provides that, pursuant to the WTO Agreement on Textiles and Clothing, the United States shall eliminate the existing quotas on textile and apparel exports to the United States from Kenya and Mauritius within 30 days after these countries adopt an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents. The provision requires the Customs Service to provide technical assistance to Kenya and Mauritius in the development and implementation of visa systems.

Section 7(c)(2) requires the President to: (1) continue the existing no quota policy for other countries in sub-Saharan Africa; and (2) submit a report to Congress by March 31 of each year concerning the growth in textiles and apparel exports to the United States from countries in sub-Saharan Africa in order to protect United States consumers, workers, and textile manufacturers from economic injury due to the no quota policy.

Section 7(d)(1) states that the President should ensure that any sub-Saharan African country that intends to export textile and apparel goods to the United States: (1) has in place an effective visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and (2) will cooperate fully with the United States to address and take action necessary to prevent circumvention, as provided in Article 5 of the WTO Agreement on Textiles and Clothing.

Section 7(d)(2) requires the President to impose penalties by denying an exporter, or any of its successors, duty-free treatment under this section for textile and apparel articles for a period of two years if the President determines, based on sufficient evidence, that the exporter has willfully falsified information regarding the country of origin, manufacture, processing, or assembly of a textile or apparel article for which duty-free treatment under the GSP program is claimed.

Section 7(d)(3) underscores that all provisions of the laws, regulations, and procedures of the United States relating to the denial of entry of articles or penalties against individuals or entities for engaging in illegal transshipment, fraud, or other violations of the customs laws shall apply to imports from sub-Saharan countries.

In order to facilitate close monitoring by the Administration and expanded oversight by the Committee, section 7(d)(4) requires that the Customs Service submit to the Congress, by not later than March 31 of each year, a report on the effectiveness of visa systems required of Kenya and Mauritius and other countries that intend to export textiles and apparel products to the United States, and on measures taken by countries in sub-Saharan Africa to prevent circumvention as described in Article 5 of the WTO Agreement on Textiles and Clothing.

Senate amendment

Section 112(a) of the Senate amendment provides that the preferential treatment accorded to imports of textiles and apparel shall only be extended to beneficiary sub-Saharan African countries that adopt an efficient visa system to guard against transshipment and the use of counterfeit documents, and enact legislation or promulgate regulations to permit transshipment investigations by the U.S. Customs Service.

Section 112(d) directs the Customs Service to provide technical assistance to the beneficiary sub-Saharan African countries for the implementation of these requirements.

Section 112 of the Senate amendment also provides that if an exporter is found to have engaged in transshipment with respect to textile or apparel products from a beneficiary sub-Saharan African country, the President must deny all benefits under section 112 and 111 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter for a period of five years.

Conference agreement

The conference agreement includes provisions from both the House and Senate bills, as well as several additional elements intended to prevent the transshipment of textile and apparel articles from sub-Saharan Africa.

Section 113(a) sets forth the following requirements that beneficiary sub-Saharan countries must satisfy before preferential tariff treatment is extended to the covered textile and apparel articles pursuant to section 112(a):

The country has adopted an effective visa system, domestic laws, and enforcement procedures to prevent unlawful transshipment of the covered articles and the use of counterfeit documents relating to the entry of the articles into the United States. An effective visa system should require documentation supporting the country of origin such as production records, information relating to the place of production, the number and identification of the types of machinery used in the production, the number of employees employed in production, and certification from both the manufacturer and exporter. The conferees also expect that countries adopt and implement domestic laws and procedures consistent with Article 5 of the WTO Agreement on Textiles and Clothing, which obligates countries to establish the necessary legal provisions and/or administrative procedures to address and take action against circumvention.

The country has adopted legislation or regulations to permit verification of information by the U.S. Customs Service. Such laws or regulations should be clear and unambiguous.

The country agrees to report on a timely basis export and import information requested by U.S. Customs. This requirement is not intended to unnecessarily burden beneficiary countries and specifically requires that the requested information be consistent with the manner in which the country keeps those records.

The country cooperates fully with the Customs Service to prevent circumvention and transshipment as provided in Article 5 of the Agreement on Textiles and Clothing. Article 5 of that Agreement establishes that cooperation will include: (1) investigation of circumvention practices; (2) exchange of documents, correspondence, reports, and other relevant information to the extent available; and (3) facilitation of plant visits and contacts. The conferees also intend cooperation and action to include the following: suspending or denying export visas to manufacturers/exporters suspected of transshipping; sharing trade data with the U.S. Customs Service (including import data relating to textile and apparel); performing factory visits in order to verify production (including verification of the commodity produced, the quota category and volume); providing information to U.S. Customs on actions taken by the country relating to production verification, the identity of factories and/or companies suspected of illegal transshipment, further investigation or administrative action, the names of open and producing factories and the types of goods produced, and the names of closed factories; and executing a memorandum of understanding with the United States establishing the commitment of the beneficiary sub-Saharan country to self-policing and sharing enforcement results (including border searches, results of factory verification visits, and administrative penalties assessed against factories and exporters). The United States fully expects that beneficiary sub-Saharan countries will take action against circumvention and implement the cooperation principles in Article 5 of the Agreement, including denial of entry into the beneficiary sub-Saharan country of merchandise suspected of transshipment. The United States will vigorously enforce its rights to deny entry and/or adjust quota charges to reflect the true origin of the transshipped goods.

The country agrees to report on a timely basis, at the request of the Customs Service, documentation establishing the country of origin of covered articles.

Section 113(b)(1) also requires that importers comply with requirements similar in all material respects to the requirements regarding Certificates of Origin contained in Article 502.1 of the North American Free Trade Agreement (NAFTA) for a similar importation from Mexico, and section 113(b)(2) sets forth the exceptions where a certificate of origin is not required.

The conferees believe that transshipment is a serious violation of U.S. laws and undermines the benefits that would otherwise accrue to the beneficiary sub-Saharan African countries. Section 113(b)(3) of the conference agreement incorporates the penalty provisions from the Senate amendment denying for a period of five years all benefits provided under section 112 of this bill to the exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter if the President determines, based on sufficient evidence, that an exporter has engaged in transshipment as defined in paragraph 4 of this section.

Section 113(b)(4) incorporates the definition of transshipment from the Senate amendment. Transshipment is defined to have occurred when preferential treatment for a textile or apparel product has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. False information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment.

Section 113(b)(5) incorporates the House provision requiring the U.S. Customs Service to monitor and report to Congress (on an annual basis beginning no later than March 31) on the effectiveness of the visa systems and measures taken to deter circumvention as described in the Article 5 of the Agreement on Textiles and Clothing.

The conferees also believe that it is important for the U.S. Customs Service to make available technical assistance in preventing transshipment to interested sub-Saharan African countries. Section 113(c) directs U.S. Customs Service to provide technical assistance to beneficiary sub-Saharan countries for the implementation of an effective visa system and domestic laws. Section 113(c) also requires the Customs Service to provide assistance in training sub-Saharan African officials in anti-transshipment enforcement and to the extent feasible, assist such countries in developing and adopting an electronic visa system (ELVIS). The conferees expect that the U.S. Customs Service will provide model laws, regulations, and enforcement procedures and training seminars to beneficiary sub-Saharan countries requesting such assistance.

Finally, the conferees believe that it is critical to provide the Customs Service with additional resources in order to provide technical assistance to sub-Saharan countries as well as for increased transshipment enforcement. Section 113(d) of the conference agreement authorizes $5,894,913.00 for this purpose. The conferees expect the U.S. Customs Service to utilize these resources as follows:

hiring of import specialists to be assigned to selected U.S. ports, strategically placed teams, and the Headquarters textile program, to administer the program and provide oversight;

hiring of inspectors and investigators (Special Agents) to be assigned to selected ports, and to Headquarters textiles program to coordinate and ensure implementation of Textile Production Verification Team results;

hiring of international trade specialists to be assigned at Headquarters to work on illegal textile transshipment policy issues, and to the Strategic Trade Center in New York to work on targeting and risk assessment for illegal transshipment;

increased office space for additional personnel in Hong Kong;

hiring of auditors for internal control and document reviews to audit importers to ensure that they are not engaging in textile and apparel transshipment;

additional travel funds to be used for deployment of additional textile production verification teams (''jump teams'') to sub-Saharan countries as required under the bill and as warranted, based on U.S. Customs risk analysis of suspected illegal textile transshipment;

internal training for Customs personnel; and

training of foreign counterparts in risk management analytical techniques and for teaching factory inspection techniques, including training in effective border examination, factory inspection techniques, audit reviews skills, and model laws and regulations; and for outreach to the U.S. Importing Community for voluntary compliance programs and troubleshooting.

The U.S. Customs Service has estimated that its current enforcement against textile and apparel transshipment from sub-Saharan Africa has resulted in over 90% compliance. The conferees believe that the additional resources of $5,594,913.00, used as described above, will enable the U.S. Customs Service to continue, and even increase, this compliance rate after passage of this bill because the U.S. Customs Service will have more resources to continually review, expand, and modify its current practice of transshipment enforcement. The current practices include the use of jump-teams, informants, collection of production information, monitoring and analyzing imports trends, and the use of lists designating persons and companies found to be engaged in transshipping (''592A,'' ''592B,'' and the Administrative List containing the names of convicted foreign factories and foreign factories that have had administrative penalties assessed against them). The U.S. Customs Service will also use information available from private sector groups that monitor trade production activities in assessing risk factors and enforcing transshipment.

SEC. 114. TERMINATION

Present law

The Generalized System of Preferences (GSP) program is authorized through September 30, 2001.

House bill

Section 8 of the House bill establishes the effective dates of the GSP program and the amendments made by this Act as July 1, 1999 through June 30, 2009 for eligible countries in sub-Saharan Africa.

Senate amendment

Section 111 of the Senate amendment extends the regular GSP program for countries in sub-Saharan Africa through September 30, 2006 and establishes October 1, 1999, as the effective date for the enhanced GSP benefits set forth in this section with an expiration date of September 30, 2006.

Conference agreement

The Conference agreement creates a new section 506C in the Trade Act of 1974 extending the regular GSP and enhanced duty-free treatment provided to beneficiary sub-Saharan African countries through September 30, 2008.

SEC. 115. CLERICAL AMENDMENTS

Present law

Title V of the Trade Act of 1974 authorizes the President to extend duty-free treatment to eligible imports from beneficiary developing countries in accordance with the provisions of the title. The table of contents for the Trade Act of 1974 lists the sections contained in each title.

House bill

No provision.

Senate amendment

Section 111 of the Senate amendment amends the table of contents for title V of the Trade Act of 1974 by inserting after the item relating to section 505 the following new items:

506A. Designation of sub-Saharan African countries for certain benefits.

506B. Termination of benefits for sub-Saharan African countries.

Conference agreement

The House recedes to the Senate. The conference agreement also adds a listing for ''Protections against transshipment'' as a new section 506B in the table of contents and redesignating the section on ''Termination of benefits for sub-Saharan African countries'' as a new section 506C.

SEC. 116. FREE TRADE AGREEMENTS WITH SUB-SAHARAN AFRICAN COUNTRIES

Present law

No provision.

House bill

In section 6 of the House bill, Congress declares that a United States-Sub-Saharan Africa Free Trade Area should be established, or free trade agreements entered into, to serve as the catalyst for increasing trade between the United States and sub-Saharan Africa, and increasing private sector development in sub-Saharan Africa.

To this end, section 6 requires the President, taking into account the provisions of the treaty establishing the African Economic Community and the willingness of the governments of sub-Saharan African countries to engage in negotiations, to develop a plan for entering into one or more trade agreements with eligible sub-Saharan African countries in order to establish a United States-Sub-Saharan Africa Free Trade Area. The plan shall include the following:

(1) the specific objectives of the United States with respect to the establishment of the free trade area and a suggested timetable;

(2) the benefits to both the United States and sub-Saharan Africa with respect to the free trade area;

(3) a mutually agreed-upon timetable for establishing a free trade area;

(4) the implications for and the role of regional and sub-regional organizations in sub-Saharan Africa;

(5) subject matter anticipated to be covered and U.S. laws, programs, and policies, as well as the laws of participating eligible African countries and existing economic cooperation and trade agreements that may be affected; and

(6) procedures to ensure adequate consultation with Congress and the private sector during the negotiations, consultation with the Congress regarding all matters relating to implementing of the agreement(s), approval by the Congress of the agreement(s), and adequate consultations with the relevant African governments and African regional and subregional intergovernmental organizations during the negotiations of the agreement(s).

Not later than 12 months after the date of enactment, the President shall prepare and transmit to Congress a report on the plan developed.

Senate amendment

Section 114 of the Senate amendment requires the President to examine the feasibility of negotiating a free trade agreement (or agreements) with interested sub-Saharan African countries.

Not later than 12 months after the date of enactment of this Act, the President shall submit a report to the Senate Finance Committee and the House Ways and Means Committee regarding the feasibility of negotiating such agreement (or agreements). If the President determines that the negotiation of any such free trade agreement is feasible, the President shall provide a detailed plan for such negotiation that outlines the objectives, timing, any potential benefits to the United States and sub-Saharan Africa, and the likely economic impact of any such agreement.

Conference agreement

By eliminating the barriers that currently exist to developing stronger, mutually beneficial trade and investment relations between the United States and sub-Saharan Africa, the conferees believe that the negotiation of one or more free trade agreements would serve an important catalyst in the economic development of sub-Saharan Africa.

The Senate recedes to the House, with a modification to state that the negotiation of free trade agreements, rather than the establishment of a Free Trade Area, with interested countries in sub-Saharan Africa, is an important catalyst for increasing trade between the United States and sub-Saharan Africa and increasing private sector development in sub-Saharan Africa.

Consistent with this policy objective, the conference agreement requires the President to prepare and transmit to Congress a plan for the purpose of negotiating and entering into one or more trade agreements with interested eligible sub-Saharan African countries. The plan shall include the specific objectives of the United States with respect to the negotiations and a suggested timetable, the benefits to both the United States and the relevant sub-Saharan African countries, a mutually agreed upon timetable for the President's report should also include procedures to ensure adequate consultation with Congress and the private sector during the negotiations, consultation with Congress regarding all matters relating to implementation of the free trade agreements, approval by Congress of the agreements, and adequate consultation with the relevant African governments and regional and sub-regional intergovernmental organizations during the negotiations.

The conference agreement also clarifies that the President's report should include procedures to ensure adequate consultation with Congress and the private sector during the negotiations, consultation with Congress regarding all matters relating to implementation of free trade agreements, approval by Congress of the agreements, and adequate consultation with the relevant African governments, and regional and sub-regional intergovernmental organizations during the negotiations.

SEC. 117. ASSISTANT UNITED STATES TRADE REPRESENTATIVE FOR AFRICAN AFFAIRS

Present law

Section 141 of the Trade Act of 1974 established within the Executive Office of the President the office of the United States Trade Representative (USTR). The President is directed to appoint a person to head the office and to serve as USTR.

House bill

Section 13 of the House bill expresses the sense of Congress that the position of Assistant United States Trade Representative (AUSTR) for African Affairs is integral to the U.S. commitment to increasing U.S.-sub-Saharan African trade and investment.

The provision requires the President to maintain a position of AUSTR for African Affairs within the Office of USTR to direct and coordinate interagency activities on U.S.-Africa trade policy and investment matters and serve as: (1) a primary point of contact in the executive branch for persons engaged in trade between the U.S. and sub-Saharan Africa; and (2) the chief advisor to the USTR on issues of trade with Africa.

The President shall ensure that the AUSTR for African Affairs has adequate funding and staff to carry out the duties described in this section.

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House with a modification. The modification expresses the Sense of Congress that the position of AUSTR should be maintained and is integral to strengthening U.S.-sub-Saharan African trade and economic relations.

The conferees note that since the Office on African American Affairs was created in 1998, the United States has signed several significant trade agreements with sub-Saharan Africa, including a Bilateral Trade and Investment Treaty with Mozambique, and Trade and Investment Framework Agreements with South Africa and Ghana.

The conference agreement reflects the conferees' opinion that the AUSTR for African Affairs should: (1) act as a senior negotiator with sub-Saharan African countries; (2) take a lead role in designating participants in the U.S.-sub-Saharan African Economic and Cooperation Forum; (3) take a lead role in designating sub-Saharan African countries as beneficiary countries; and (4) take a lead role in administering and implementing the trade provisions of this Act.

SUBTITLE C—ECONOMIC DEVELOPMENT RELATED ISSUES

SEC. 121. SENSE OF CONGRESS REGARDING COMPREHENSIVE DEBT RELIEF FOR THE WORLD'S POOREST COUNTRIES

Present law

In FY2000, Congress supported U.S.-led efforts to enhance the Heavily Indebted Poor Countries (HIPC) Initiative by funding roughly one-third of the direct costs to the United States, as well as authorizing the use of IMF internal resources, including earnings on investments of profits of sales of IMF gold, for HIPC debt relief (Consolidated Appropriations Act for FY 2000 H.R. 3194; P.L. 106–113).

House bill

Section 9 of the House bill expresses the sense of the Congress that the Secretary of the Treasury should instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Monetary Fund, and the African Development Bank to use the voice and votes of the Executive Directors to encourage vigorously their respective institutions to develop enhanced mechanisms which further the following goals in eligible countries in sub-Saharan Africa:

(1) Strengthening and expanding the private sector, especially among women-owned businesses.

(2) Reducing tariffs, nontariff barriers, and other trade obstacles, and increasing economic integration.

(3) Supporting countries committed to accountable government, economic reform, the eradication of poverty, and the building of civil societies.

(4) Supporting deep debt reduction at the earliest possible date with the greatest amount of relief for eligible poorest countries under the ''Heavily Indebted Poor Countries'' (HIPC) debt initiative.

It is the sense of the Congress that relief provided to countries in sub-Saharan Africa that qualify for the HIPC debt initiative should be made primarily through grants rather than through extended-term debt, and that interim relief or interim financing should be provided for eligible countries that establish a strong record of macroeconomic reform.

Senate amendment

In Section 714 of the Senate amendment, Congress makes the following findings:

(1) The burden of external debt has become a major impediment to economic growth and poverty reduction in many of the world's poorest countries.

(2) Until recently, the United States Government and other official creditors sought to address this problem by rescheduling loans and in some cases providing limited debt reduction.

(3) Despite such efforts, the cumulative debt of many of the world's poorest countries continued to grow beyond their capacity to repay.

(4) In 1997, the Group of Seven, the World Bank, and the International Monetary Fund adopted the HIPC Initiative, a commitment

by the international community that all multilateral and bilateral creditors, acting in a coordinated and concerted fashion, would reduce poor country debt to a sustainable level.

(5) The HIPC Initiative is currently undergoing reforms to address concerns raised about country conditionality, the amount of debt forgiven, and the allocation of savings realized through the debt forgiveness program to ensure that the Initiative accomplishes the goals of economic growth and poverty alleviation in the world's poorest countries.

(6) Recently, the President requested Congress to provide additional resources for bilateral debt forgiveness and additional United States contributions to the HIPC Trust Fund.

Section 714 expresses the sense of Congress that:

(1) Congress and the President should work together, without undue delay and in concert with the international community, to make comprehensive debt relief available to the world's poorest countries in a manner that promotes economic growth and poverty alleviation;

(2) this program of bilateral and multilateral debt relief should be designed to strengthen and expand the private sector, encourage increased trade and investment, support the development of free markets, and promote broad-scale economic growth in beneficiary countries;

(3) this program of debt relief should also support the adoption of policies to alleviate poverty and to ensure that benefits are shared widely among the population, such as through initiatives to advance education, improve health, combat AIDS, and promote clean water and environmental protection;

(4) these debt relief agreements should be designed and implemented in a transparent manner and with the broad participation of the citizenry of the debtor country and should ensure that country circumstances are adequately taken into account;

(5) no country should receive the benefits of debt relief if that country does not cooperate with the United States on terrorism or narcotics enforcement, is a gross violator of the human rights of its citizens, or is engaged in conflict or spends excessively on its military; and

(6) in order to prevent adverse impact on a key industry in many developing countries, the International Monetary Fund must mobilize its own resources for providing debt relief to eligible countries without allowing gold to reach the open market, or otherwise adversely affecting the market price of gold.

Conference agreement

The House recedes to the Senate with minor technical modifications.

SEC. 122. EXECUTIVE BRANCH INITIATIVES

Present law

No provision.

House bill

In section 10 of the House bill Congress recognizes that the stated policy of the executive branch in 1997, the ''Partnership for Growth and Opportunity in Africa'' initiative, is a step toward the establishment of a comprehensive trade and development policy for sub-Saharan Africa. It is the sense of the Congress that this Partnership is a companion to the policy goals set forth in this Act.

Section 10 provides that in addition to continuing bilateral and multilateral economic and development assistance, the President shall target technical assistance toward:

(1) developing relationships between United States firms and firms in sub-Saharan Africa through a variety of business associations and networks;

(2) providing assistance to the governments of sub-Saharan African countries to:

(A) liberalize trade and promote exports;

(B) bring their legal regimes into compliance with the standards of the WTO in conjunction with membership in that Organization;

(C) make financial and fiscal reforms; and

(D) promote greater agribusiness linkages;

(3) addressing such critical agricultural policy issues as market liberalization, agricultural export development, and agribusiness investment in processing and transporting agricultural commodities;

(4) increasing the number of reverse trade missions to growth-oriented countries in sub-Saharan Africa;

(5) increasing trade in services; and

(6) encouraging greater sub-Saharan participation in future negotiations in the WTO on services and making further commitments in their schedules to the General Agreement on Trade in Services in order to encourage the removal of tariff and nontariff barriers.

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House.

SEC. 123. OVERSEAS PRIVATE INVESTMENT CORPORATION INITIATIVES

Present law

Title IV of Part I of the Foreign Assistance Act of 1961, as amended, (Public Law 87–195) established the Overseas Private Investment Corporation (OPIC), a Board of Directors for the Corporation, consisting of 15 members, and authorized the corporation to create equity funds.

House bill

Section 11 of the House bill expresses the sense of the Congress that OPIC should use its current authorities to initiate an equity fund or funds in support of projects in the countries in sub-Saharan Africa, in addition to the existing equity fund for sub-Saharan Africa created by the Corporation. The provision specifies how each fund should be structured, capitalized and implemented.

Section 12 of the bill amends Section 233 of the Foreign Assistance Act of 1961 to direct the OPIC Board to form an advisory committee to develop and implement policies, programs and financial instruments with respect to sub-Saharan Africa. It directs the advisory committee to make recommendations to the Board on how the Corporation can facilitate greater support by the United States for trade and investment with and in sub-Saharan Africa. And it also provides for the termination of the committee four years after the date of enactment and for a report on the steps that the Board has taken to implement the committee's recommendations six months after the date of enactment and annually thereafter for the next four years.

Senate bill

No provision.

Conference agreement

The Senate recedes to the House with a slightly modified provision changing the name of the advisory committee to the investment advisory council. In addition, the conference agreement specifies that the OPIC Board shall take measures to increase the loan, guarantee and insurance programs, and financial commitments of the corporation in sub-Saharan Africa, including through the use of an investment advisory council to assist the Board in developing and implementing programs and policies for sub-Saharan Africa.

SEC. 124. EXPORT-IMPORT BANK INITIATIVES

Present law

The Export-Import Bank is advised by a sub-Saharan Africa Advisory Committee (SAAC) on the expansion of its activities in sub-Saharan Africa.

House bill

Section 12(b) of the House bill would establish a SAAC for the Bank.

Senate amendment

No provision.

Conference agreement

The conference agreement strikes section 12(b) of the House bill in its entirety, since an advisory committee was created previously by the Export-Import Bank Reauthorization Act of 1997 (P.L. 105–121). Instead, the conference agreement expresses the sense of Congress that the Export-Import Bank should continue to take measures to promote the expansion of the Bank's commitments in sub-Saharan Africa. The conference provision also commends the SAAC for aiding the Bank in doubling the number of sub-Saharan African countries in which the Bank is open, and by increasing by tenfold the Bank's support for sales to sub-Saharan Africa from fiscal year 1998 to fiscal year 1999.

SEC. 125. EXPANSION OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICE IN SUB-SAHARAN AFRICA

Present law

No provision.

House bill

Section 14 of the House bill would make a number of findings regarding the Service's presence in sub-Saharan Africa and direct the Service to expand its presence in that region. It also would require the Service to identify new market opportunities and barriers thereto, and to make efforts to facilitate U.S. entry into those markets, with an annual report on such efforts to Congress.

Senate amendment

No provision.

Conference agreement

The conference agreement adopts a modified version of the House provision that directs the International Trade Administration (ITA), rather than the Service, to carry out the market entry and barrier identifications and make those identifications publicly available. The ITA, which already undertakes trade-related research efforts, is better suited to carrying out this initiative.

SEC. 126. DONATION OF AIR TRAFFIC CONTROL EQUIPMENT TO ELIGIBLE SUB-SAHARAN AFRICAN COUNTRIES

Present law

No provision.

House bill

Section 16 of the House bill expresses the sense of the Congress that, to the extent appropriate, the U.S. Government should make every effort to donate to governments of sub-Saharan African countries (determined to be eligible under section 4 of this Act) air traffic control equipment that is no longer in use, including appropriate related reimbursable technical assistance.

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House.

SEC. 127. ADDITIONAL AUTHORITIES AND INCREASED FLEXIBILITY TO PROVIDE ASSISTANCE UNDER THE DEVELOPMENT FUND FOR AFRICA

Present law

Section 496 of Chapter 10 of the Foreign Assistance Act of 1961 established the Development Fund for Africa (DFA) to promote the participation of Africans in long term sustainable development. Title V of the International Security and Cooperation Act of

1981 established the African Development Foundation (ADF) in order to provide assistance aimed at promoting economic opportunities and community development in Africa.

House bill

Section 17 of the House bill expresses the sense of Congress that sustained economic growth in sub-Saharan Africa depends in large measure upon the development of a receptive environment for trade and investment, and that to achieve this objective the United States Agency for International Development should continue to support programs which help to create this environment. Investments in human resources, development, and implementation of free market policies, including policies to liberalize agricultural markets and improve food security, and the support for the rule of law and democratic governance should continue to be encouraged and enhanced on a bilateral and regional basis.

In section 17 of the House bill, Congress makes the following declarations:

(1) The DFA established under chapter 10 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2293 et seq.) has been an effective tool in providing development assistance to sub-Saharan Africa since 1988.

(2) The DFA will complement the other provisions of this Act and lay a foundation for increased trade and investment opportunities between the United States and sub-Saharan Africa.

(3) Assistance provided through the Development Fund for Africa will continue to support programs and activities that promote the long term economic development of sub-Saharan Africa, such as programs and activities relating to the following:

(A) Strengthening primary and vocational education systems, especially the acquisition of middle-level technical skills for operating modern private businesses and the introduction of college level business education, including the study of international business, finance, and stock exchanges.

(B) Strengthening health care systems.

(C) Supporting democratization, good governance and civil society and conflict resolution efforts.

(D) Increasing food security by promoting the expansion of agricultural and agriculture-based industrial production and productivity and increasing real incomes for poor individuals.

(E) Promoting an enabling environment for private sector-led growth through sustained economic reform, privatization programs, and market-led economic activities.

(F) Promoting decentralization and local participation in the development process, especially linking the rural production sectors and the industrial and market centers throughout Africa.

(G) Increasing the technical and managerial capacity of sub-Saharan African individuals to manage the economy of sub-Saharan Africa.

(H) Ensuring sustainable economic growth through environmental protection.

(4) The ADF has a unique congressional mandate to empower the poor to participate fully in development and to increase opportunities for gainful employment, poverty alleviation, and more equitable income distribution in sub-Saharan Africa. The ADF has worked successfully to enhance the role of women as agents of change, strengthen the informal sector with an emphasis on supporting micro and small sized enterprises, indigenous technologies, and mobilizing local financing. The ADF should develop and implement strategies for promoting participation in the socioeconomic development process of grassroots and informal sector groups such as nongovernmental organizations, cooperatives, artisans, and traders into the programs and initiatives established under this Act.

In addition, section 17 of the House bill amends section 496(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(h)) by:

(A) redesignating paragraph (3) as paragraph (4); and

(B) inserting after paragraph (2) the following:

(3) Democratization and conflict resolution capabilities.—Assistance under this section may also include program assistance—

(A) to promote democratization, good governance, and strong civil societies in sub-Saharan Africa; and

(B) to strengthen conflict resolution capabilities of governmental, intergovernmental, and nongovernmental entities in sub-Saharan Africa.

Section 496(h)(4) of such Act, as amended by paragraph (1), is further amended by striking paragraphs (1) and (2) in the first sentence and inserting paragraphs (1), (2), and (3).

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House.

SEC. 128. ASSISTANCE FROM UNITED STATES PRIVATE SECTOR TO PREVENT AND REDUCE HIV/AIDS IN SUB-SAHARAN AFRICA

Present law

No provision.

House bill

Section 18 of the House bill expresses the sense of Congress that U.S. businesses should be encouraged to provide assistance to sub-Saharan African countries to prevent and reduce the incidence of HIV/AIDS in sub-Saharan Africa. In providing such assistance, U.S. businesses should be encouraged to consider the establishment of an HIV/AIDS Response Fund in order to provide for coordination among such businesses in the collection and distribution of the assistance to sub-Saharan African countries.

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House.

SEC. 129. SENSE OF THE CONGRESS RELATING TO HIV/AIDS CRISIS IN SUB-SAHARAN AFRICA

Present law

No provision.

House bill

In section 19 of the House bill, Congress finds that:

(1) Sustained economic development in sub-Saharan Africa depends in large measure upon successful trade with and foreign assistance to the countries of sub-Saharan Africa.

(2) The HIV/AIDS crisis has reached epidemic proportions in sub-Saharan Africa, where more than 21,000,000 men, women, and children are infected with HIV.

(3) 83 percent of the estimated 11,700,000 deaths from HIV/AIDS worldwide have been in sub-Saharan Africa.

(4) The HIV/AIDS crisis in sub-Saharan Africa is weakening the structure of families and societies.

(5)(A) The HIV/AIDS crisis threatens the future of the workforce in sub-Saharan Africa.

(B) Studies show that HIV/AIDS in sub-Saharan Africa most severely affects individuals between the ages of 15 and 49—the age group that provides the most support for the economies of sub-Saharan African countries.

(6) Clear evidence demonstrates the HIV/AIDS is destructive to the economies of sub-Saharan African countries.

(7) Sustained economic development is critical to creating the public and private sector resources in sub-Saharan Africa necessary to fight the HIV/AIDS epidemic.

Section 19 of the House bill expresses the sense of Congress that:

(1) addressing the HIV/AIDS crisis in sub-Saharan Africa should be a central component of U.S. foreign policy with respect to sub-Saharan Africa;

(2) significant progress needs to be made in preventing and treating HIV/AIDS in sub-Saharan Africa in order to sustain a mutually beneficial trade relationship between the United States and sub-Saharan African countries; and

(3) the HIV/AIDS crisis in sub-Saharan Africa is a global threat that merits further attention through greatly expanded public, private, and joint public-private efforts, and through appropriate U.S. legislation.

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House.

SEC. 130. STUDY ON IMPROVING AFRICAN AGRICULTURAL PRACTICES

Present law

No provision.

House bill

No provision.

Senate amendment

Section 716 of the Senate amendment authorizes the USDA, in consultation with the American Land Grant Colleges and Universities and not-for-profit international organization, to conduct a two-year study on ways to improve the flow of American farming techniques and practices to African farmers. The study conducted by the USDA shall include an examination of ways of improving or utilizing:

(1) knowledge of insect and sanitation procedures;

(2) modern farming and soil conservation techniques;

(3) modern farming equipment (including maintaining the equipment);

(4) marketing crop yields to prospective purchasers; and

(5) crop maximization practices.

The study shall be submitted to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives not later than September 30, 2001.

The USDA is encouraged to consult with American Land Grant Colleges and not-for-profit international organizations that have firsthand knowledge of current African farming practices.

There is authorized to be appropriated $2,000,000 to conduct the study.

Conference agreement

The House recedes to the Senate, with a modification to delete the authorization of funds.

SEC. 131. SENSE OF THE CONGRESS REGARDING EFFORTS TO COMBAT DESERTIFICATION IN AFRICAN AND OTHER COUNTRIES

Present law

No provision.

House bill

No provision.

Senate amendment

In section 718 of the Senate amendment, Congress finds that:

(1) desertification affects approximately one-sixth of the world's population and one-quarter of total land area;

(2) over 1,000,000 hectacres of Africa are affected by desertification;

(3) dryland degradation is an underlying cause of recurrent famine in Africa;

(4) the United Nations Environmental Programme estimates that desertification costs the world $42,000,000,000 a year, not including incalculable costs in human suffering; and

(5) the United States can strengthen its partnership throughout Africa and other nations affected by desertification, help alleviate social economic crises caused by misuse of natural resources, and reduce dependence on foreign aid, by taking a leading role to combat desertification.

Section 718 of the Senate amendment expresses of the sense of the Senate that the United States should expeditiously work with the international community, particularly Africa and other nations affected by desertification to:

(1) strengthen international cooperation to combat desertification;

(2) promote the development of national and regional strategies to address desertification and increase public awareness of this serious problem and its effects;

(3) develop and implement national action programs that identify the causes of desertification and measures to address it; and

(4) recognize the essential role of local governments and nongovernmental organizations in developing and implementing measures to address desertification.

Conference agreement

The House recedes to the Senate with a technical modification to express the sense of the Congress instead of the sense of the Senate.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

SUBTITLE A—TRADE POLICY FOR CARIBBEAN BASIN COUNTRIES

SEC. 201. SHORT TITLE

Present law

No provision.

House bill

No provision, but Section 1 of H.R. 984, as approved by the Committee on Ways and Means, provides that the subtitle may be cited as the Caribbean and Central America Relief and Economic Stabilization Act (CCARES).

Senate amendment

Section 201 of the Senate bill provides that the subtitle may be cited as the Caribbean Basin Trade Enhancement Act (CBTEA)

Conference agreement

The Title of the Act is the Caribbean Basin Trade Partnership Act.

SEC. 202. FINDINGS AND POLICY

Present law

The Caribbean Basin Initiative (CBI) program was established by the Caribbean Basin Economic Recovery Act (CBERA), which was enacted on August 5, 1983. This legislation authorized the President to grant duty-free treatment to imports of eligible articles from designated Caribbean countries. The basic purpose of the CBI program, as originally proposed by President Ronald Reagan, was to respond to an economic crisis in the Caribbean by encouraging industrial development primarily through preferential access to the U.S. market. The goal was to promote political and social stability in a strategically important region. CBI trade benefits were made permanent in 1990.

House bill

No provision, however Section 2 of H.R. 984, as approved by the Committee on Ways and Means makes Congressional findings relating to the damage caused to the Caribbean Basin region by Hurricanes Mitch and George and states that United States assistance to the region should focus on, in addition to the short-term disaster assistance, long-term solutions for a successful economic recovery of Central America and the Caribbean. Finally the findings state that the Caribbean Basin Economic Recovery Act has represented a permanent and successful commitment by the United States to encourage the development of strong democratic governments and revitalized economies in neighboring countries in the Caribbean Basin.

Section 102 of H.R. 984, as approved by the Committee on Ways and Means, states that it is, therefore, the policy of the United States to: (1) offer Caribbean Basin beneficiary countries tariff and quota treatment equivalent to that accorded to products of NAFTA countries, and to seek the accession of these partnership countries to NAFTA or a free trade agreement comparable to NAFTA at the earliest possible date, with the goal of achieving full NAFTA participation by all Caribbean countries by January 1, 2005; and (2) assure that the domestic textile and apparel industry remains competitive in the global marketplace by encouraging the formation and expansion of ''partnerships'' between the textile and apparel industry of the United States and the textile and apparel industry of various countries located in the Western Hemisphere.

Senate amendment

The Senate bill contains similar Congressional findings.

Section 202(b) of the Senate bill states that it is the policy of the United States to: (1) offer Caribbean Basin beneficiary countries willing to prepare to become a party to the FTAA or a comparable trade agreement, tariff treatment essentially equivalent to that accorded to products of NAFTA countries for certain products not currently eligible for duty-free treatment under the CBERA; and (2) seek the participation of Caribbean Basin beneficiary countries in the FTAA or a trade agreement comparable to the FTAA at the earliest possible date, with the goal of achieving full participation in such an agreement not later than 2005.

Conference agreement

The findings contained in section 2 of the conference agreement set out the underlying rationale for expansion of the CBI program. This section describes the conferees' agreement that the U.S. response to the devastation caused by Hurricanes Mitch and Georges should include, in addition to short-term disaster assistance, a long-term mechanism to promote economic recovery in Central America and the Caribbean. Based on the successful record of the Caribbean Basin Initiative, the Conferees believe that economic recovery will be achieved most effectively by enhancing the region's opportunities to expand its international trade with important trading partners such as the United States.

The success of the CBI program indicates that increasing international trade with the CBI region will also promote the growth of United States exports, decrease illegal immigration, and improve regional cooperation in efforts to fight drug trafficking. Finally, the conferees intend that this bill foster increased opportunities for U.S. companies in the textile and apparel sector to expand co-production arrangements with countries in the CBI region, thereby sustaining and preserving manufacturing operations in the United States that would otherwise be relocated to the Far East.

SEC. 203. DEFINITIONS

Section 3 defines several terms used in the bill.

SUBTITLE B—TRADE BENEFITS FOR CARIBBEAN BASIN COUNTRIES

SEC. 211. TEMPORARY PROVISIONS TO PROVIDE ADDITIONAL TRADE BENEFITS TO CERTAIN BENEFICIARY COUNTRIES

Present law

Under the CBERA, imports from CBI beneficiary countries, except for certain products that are statutorily excluded, are granted duty-free treatment, subject to specific eligibility requirements. Statutorily excluded articles are ineligible for duty-free treatment under the CBI. These excluded products are: textile and apparel articles that are subject to textile agreements, canned tuna, petroleum and petroleum products, footwear, handbags, luggage, flat goods, work gloves, and leather-wearing apparel. Also excluded are certain watches and watch products.

Under NAFTA, imports of these products from Mexico (excluded from CBI and listed above) receive either declining tariff or duty-free and quota-free treatment. Chapter Four of NAFTA establishes rules of origin for identifying goods that are to be treated as ''originating in the territories of NAFTA parties'' and are therefore eligible for preferential treatment accorded to originating goods under NAFTA, including reduced duties and duty-free and quota-free treatment.

House bill

No provision, however section 104 of the H.R. 984 amends section 213(b) of the CBERA to provide tariff and quota treatment on imports from CBI beneficiary countries of excluded articles that is identical to tariff and quota treatment accorded like articles imported from Mexico under NAFTA during a temporary period ending on the date that either NAFTA accession or a reciprocal free trade agreement enters into force with the partnership country, or on the fifth anniversary of the temporary treatment, whichever is earlier.

Section 104 of the bill provides that NAFTA tariff and quota treatment would apply to CBI articles that meet NAFTA rules of origin (treating the United States and CBI beneficiary countries as ''parties'' under the agreement for this purpose). Customs procedures applicable to exporters under NAFTA also must be met for partnership countries to qualify for parity treatment. Imports of articles currently excluded under CBI, which do not meet the conditions of NAFTA parity, would continue to be excluded from the CBI program.

Senate amendment

The Senate bill applies NAFTA tariff treatment to all excluded products, with the exception of textiles and apparel which are treated separately as described below.

Conference agreement

NAFTA tariff treatment applies to goods excluded from CBI, except to textiles and apparel. More specifically, for imports of canned tuna, petroleum and petroleum products, footwear, handbags, luggage, flat goods, work gloves, and leather-wearing apparel, the conference agreement provides an immediate reduction in tariffs equal to the preference Mexican products enjoy under NAFTA. The applicable duty paid by importers on such goods would be equal to the duty applicable to the same goods if entered from Mexico. In order for their products to qualify for the preferences afforded under this Act, whether applied to textiles and apparel or other products, the beneficiary country must comply with customs procedures equivalent to those required under the NAFTA.

TREATMENT OF TEXTILE AND APPAREL IMPORTS FROM CARIBBEAN COUNTRIES AND MEXICO

A. GAL PROGRAM AND ''807'' TARIFF TREATMENT

Present law

The ''Special Access Program for Textiles,'' established by regulation in February 1986, provides flexible Guaranteed Access Levels (GALs) to the United States market for textile or apparel and ''made up'' textile product categories (not fabric, yarn, or other textile products) assembled in CBI countries from fabrics wholly formed and cut in the United States, under bilateral agreements. GALs (also known as ''807A'') are separate limits from (and usually significantly higher than) standard quota levels, and are generally increased upon request of the exporting country.

Imports under item 9802.00.80 of the U.S. Harmonized Tariff Schedule (HTS) (previously item 807), which are assembled abroad from U.S.-fabricated components, including apparel assembled in Caribbean countries from fabric cut in the United States, are assessed duty only on the value-added abroad. Under NAFTA, Mexico receives duty-free and quota-free treatment on articles assembled from U.S.-formed and cut fabric.

Certain textile and apparel articles from major supplying CBI countries are subject to import quotas under bilateral agreements negotiated on a product-category basis under authority of section 204 of the Agricultural Act of 1956 and in accordance with the Uruguay Round Agreement on Textiles and Clothing. Articles under quota may be assembled from U.S. and/or foreign components.

House bill

No provision, but under section 104 of H.R. 984, as approved by the Committee on Ways and Means, imports of textile and apparel articles from CBI partnership countries that meet NAFTA rules of origin would receive tariff treatment equivalent to such goods originating in Mexico and would enter quota-free. Under H.R. 984, there would be no change in the treatment of non-originating textile products currently subject to import quotas under bilateral and multilateral textile agreements.

Section 104 of H.R. 984 eliminates import restraint levels and duties on textile and apparel articles: 1) assembled in a partnership country from fabrics wholly formed and cut in the United States from yarns formed in the United States; 2) cut and assembled in a partnership country from fabrics wholly formed in the United States, from yarns wholly formed in the United States; 3) knit-to-shape in a partnership country from yarns wholly formed in the United States; or 4) made in a partnership country from fabric knit in a partnership country from yarn wholly formed in the United States. Handmade, hand-loomed and folklore articles of the region also qualify for duty-free and quota-free treatment.

Senate amendment

The Senate bill provides no preferential treatment for textile products, with the exception of certain hand-made, hand-loomed and folklore articles and certain textile luggage. With respect to apparel products, duty-free, quota-free treatment applies to those products listed below. Section 101 of the Senate bill would extend immediate duty-free and quota-free treatment to the following apparel products:

(1) apparel articles assembled in an eligible CBI beneficiary country from U.S. fabrics wholly formed from U.S. yarns and cut in the United States that would enter the United States under Harmonized Tariff Schedule (HTS) item number 9802.00.80 (a provision that otherwise allows an importer to pay duty solely on the value-added abroad when U.S. components are shipped abroad for assembly and re-imported into the United States);

(2) apparel articles entered under chapters 61 and 62 of the HTS where they would have qualified for HTS 9802.00.80 treatment but for the fact that the articles were subjected to certain types of washing and finishing;

(3) apparel articles cut and assembled in the eligible CBI country from U.S. fabric formed from U.S. yarn and sewn in the Caribbean with U.S. thread;

(4) handloomed, handmade and folklore articles originating in the CBI beneficiary country;

(5) textile luggage assembled in an eligible CBI beneficiary country from U.S. fabrics wholly formed from U.S. yarns and cut in the United States that would enter the United States under Harmonized Tariff Schedule (HTS) item number 9802.00.80; and

(6) textile luggage cut and assembled in the eligible CBI country from U.S. fabric formed from U.S. yarn and sewn in the Caribbean with U.S. thread.

The Senate intends that this new program of textile and apparel benefits will be administered in a manner consistent with the regulations that apply under the ''Special Access Program'' for textile and apparel articles from Caribbean and Andean Trade Preference Act countries, as described in 63 Fed. Reg. 16474–16476 (April 3, 1998). Thus, the requirement that products must be assembled from fabric formed in the United States applies to all textile components of the assembled products, including linings and pocketing, subject to the exceptions that currently apply under the ''Special Access Program.''

Conference agreement

The House recedes with an amendment that provides duty-free, quota-free treatment to the following apparel products:

(1) apparel articles assembled in a CBTPA country from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are (I) entered under subheading 9802.00.80 of the HTS or (II) entered under chapter 61 or 62 of the HTS, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 but for the fact that the articles were embroidered or subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, screen printing, or other similar processes;

(2) apparel articles cut in a CBTPA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in such country with thread formed in the United States;

(3) certain apparel articles knit-to-shape (other than socks provided for in heading 6115 of the HTS) in a CBTPA beneficiary country from yarns wholly formed in the United States, and knit apparel articles (other than certain T-shirts, as described below) cut and wholly assembled in one or more CBTPA beneficiary countries from fabric formed in one or more CBTPA beneficiary countries or the United States from yarns wholly formed in the United States, in an amount not to exceed 250 million square meter equivalents (SMEs) during the 1-year period beginning on October 1, 2000. That amount will increase by 16 percent, compounded annually, in each succeeding 1-year period through September 30, 2004. In each 1–year period thereafter through September 30, 2008, the amount will be the amount that was in effect for the 1-year period ending on September 30, 2004, or such other amount as may be provided by law. For T-shirts, other then underwear T-shirts, the amount eligible for duty-free, quota-free treatment is 4.2 million dozen during the 1–year period beginning on October 1, 2000. That amount will be increased by 16 percent, compounded annually, in each succeeding 1–year period through September 30, 2004 and thereafter will be the amount in effect for the period ending on September 30, 2004, or such other amount as may be provided by law. The conference agreement provides that it is the sense of Congress that the Congress should determine, based on the record of expansion of exports from the United States as a result of the preferential treatment of articles under this provision, the percentage by which the amounts referred to above with respect to knit-to-shape articles and T-shirts should be compounded for the one-year periods occurring after the period ending on September 30, 2004;

(4) certain brassieres, subject to the requirements set forth in the Act;

(5) certain articles assembled from fibers, yarns or fabric not widely available in commercial quantities, with reference to the relevant provisions of the NAFTA; the conference agreement also authorizes the President to extend duty-free and quota-free treatment to certain other fibers, fabrics and yarns. Any interested party may submit to the President a request for extension of benefits to fibers, fabrics and yarns not available. The requesting party will bear the burden of demonstrating that a change is warranted by providing sufficient evidence. The President must make a determination within 60 calendar days of receiving a request from an interested party;

(6) certain handloomed, handmade and folklore articles; and

(7) certain textile luggage, as described in the legislation.

The conference agreement establishes certain special rules:

(1) Findings and trimmings.—Articles otherwise eligible for preferential treatment shall not be ineligible for such treatment because the article contains findings or trimmings of foreign origin, if such findings and trimmings do not exceed 25 percent of the cost of the components of the assembled product. However, sewing thread shall not be treated as a finding or trimming for purposes of apparel articles cut in a CBTPA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, where preferential treatment is contingent upon assembly with thread formed in the United States

(2) Interlinings.—Articles otherwise eligible for preferential treatment shall not be ineligible for such treatment because the articles contain certain interlinings, as described in the legislation, of foreign origin, if the value of such interlinings (and any findings and trimmings) does not exceed 25 percent of the cost of the components of the assembled articles. This rule will not apply if the President determines that United States manufacturers are producing such interlinings in the United States in commercial quantities;

(3) De Minimis.—An article otherwise ineligible for preferential treatment because the article contains fibers or yarns not wholly formed in the United States or in 1 or more beneficiary countries shall not be ineligible for such treatment if the total weight of all such fibers or yarns is not more than 7 percent of the total weight of the good. However, in order for an apparel article containing elastomeric yarns to be eligible for preferential treatment, such yarns must be wholly formed in the United States.

The conferees agree that offering trade benefits to CBI countries for certain apparel

products would be a valuable mechanism to promote long-term economic growth by enhancing the region's opportunities to expand trade with the United States. At the same time, the conferees believe these provisions would promote growth of U.S. exports and the use of U.S. fabric, yarn and cotton.

(4) Special Origin Rule.—An article otherwise eligible for preferential treatment shall not be ineligible for such treatment because the article contains nylon filament yarn (other than elastomeric yarn), if entered under certain tariff headings from a country that is a party to an agreement with the United States establishing a free trade area, which entered into force before January 1, 1995. The House position would have encompassed these articles. The Senate rule of origin would have precluded eligibility. The Senate recedes.

B. TRADE PREFERENCE LEVELS (TPLS)

Present law

Appendix 6(B) of NAFTA provides a limited exception to NAFTA rules of origin for textile and apparel goods. The exception takes the form of Tariff Preference Levels (TPLs), under which specific quantities of goods from each NAFTA country that do not meet NAFTA ''yarn-forward'' rules of origin will nonetheless be accorded NAFTA preferential tariff rates. Imports of such goods that exceed these quantities will be subject to Normal Trade Relations (NTR) duty rates. Under NAFTA, TPLs are available for three broad categories of products: (1) cotton or man-made apparel; (2) wool apparel; and, (3) goods entered under subheading 9802.00.80 of the HTS.

House bill

No provision. But Section 104(2)(B)(i) of H.R. 984, as passed by the Committee on Ways and Means authorizes USTR to establish TPLs for Caribbean textile and apparel products which are similar to those established for Mexican textile and apparel products in NAFTA. After consulting with the domestic industry and other interested parties, USTR is authorized to establish TPLs in the following categories at specified levels: not more than 45,000,000 square meter equivalents of cotton or man-made fiber apparel; not more 1,500,000 square meter equivalents of wool apparel; and, not more than 25,000,000 square meter equivalents of goods entered under subheading 9802.00.80 of the HTS.

Senate amendment

No provision.

Conference agreement

No provision.

2. EFFECTIVE DATE AND TERMINATION OF TEMPORARY TREATMENT

Present law

CBI trade benefits were made permanent in 1990.

House bill

No provision, however under section 104, of H.R. 984 a temporary transitional period would begin upon date of enactment and end on the date that either NAFTA accession or a reciprocal free trade agreement enters into force with the partnership country, or on December 31, 2004, whichever is earlier.

Senate amendment

The Senate bill establishes a temporary transitional period of 51 months beginning on October 1, 2000, and ending on December 31, 2004.

Conference agreement

The Conference agreement establishes a transition period that begins on October 1, 2000 and ends on the earlier of September 30, 2008, or the date on which the Free Trade Area of the Americas or another free trade agreement as described in the legislation enters into force with respect to the United States and the CBTPA beneficiary country.

3. DESIGNATION CRITERIA

Present law

In determining whether to designate any country as a CBI beneficiary country, the President must take into account 7 mandatory and 11 discretionary criteria, which are listed in section 212 of the CBERA:

(1) whether the country is a Communist country;

(2) whether the country has nationalized, expropriated, or otherwise seized ownership or control of U.S. property (including intellectual property), unless he determines that prompt, adequate, and effective compensation has been or is being made, or good faith negotiations to provide such compensation are in progress, or the country is otherwise taking steps to discharge its international obligations, or a dispute over compensation has been submitted to arbitration;

(3) whether the country fails to act in good faith in recognizing as binding or in enforcing arbitral awards in favor of U.S. citizens;

(4) whether the country affords ''reverse'' preferences to developed countries and whether such treatment has or is likely to have a significant adverse effect on U.S. commerce;

(5) whether a government-owned entity in the country engages in the broadcast of copyrighted material belonging to U.S. copyright owners without their express consent or the country fails to work toward the provision of adequate and effective intellectual property rights;

(6) whether the country is a signatory to an agreement regarding the extradition of U.S. citizens;

(7) whether the country has or is taking steps to afford internationally recognized worker rights to workers in the country;

(8) an expression by the country of its desire to be designated;

(9) the economic conditions in the country, its living standards, and any other appropriate economic factors;

(10) the extent to which the country has assured the United States it will provide equitable and reasonable access to its markets and basic commodity resources;

(11) the degree to which the country follows accepted rules of international trade under the World Trade Organization;

(12) the degree to which the country uses export subsidies or imposes export performance or local content requirements which distort international trade;

(13) the degree to which the trade policies of the country are contributing to the revitalization of the region;

(14) the degree to which the country is undertaking self-help measures to protect its own economic development;

(15) the extent to which the country provides under its law adequate and effective means for foreign nationals to secure, exercise, and enforce exclusive intellectual property rights;

(16) the extent to which the country prohibits its nationals from engaging in the broadcast of copyrighted material belonging to U.S. copyright owners without their express consent; and

(17) the extent to which the country is prepared to cooperate with the United States in the administration of the Act.

Under the CBERA, the President is prohibited from designating a country a beneficiary country if any of criteria (1)–(7) apply to that country, subject to waiver, if the President determines that country designation will be in the U.S. national economic or security interest. The waiver does not apply to criteria (4) and (6). Criteria (8)–(18) are discretionary. Under the CBERA, criteria on (7) is included as both mandatory and discretionary.

House bill

No provision, however H.R. 984, as approved by the Committee on Ways and Means, makes no change in country designation criteria established in the CBERA.

Senate amendment

Under the Senate bill, eligibility for the new trade benefits is left to the discretion of the President, but the proposal would provide specific guidance as to the criteria the President should apply in making that determination. The starting point under the Senate bill is compliance with the eligibility criteria set out in the original CBERA. The Senate bill would add certain trade-related criteria, such as the extent to which the beneficiary country fully implements the various Uruguay Round agreements, whether the beneficiary country affords adequate intellectual property protection and protection to U.S. investors, and the extent to which the country applies internationally accepted rules on government procurement and customs valuation.

This section of the Senate bill also adds other criteria that reflect important U.S. initiatives. They include, among others, the extent to which the country has become a party to and implements the Inter-American Convention Against Corruption, is or becomes a party to a convention regarding the extradition of its nationals, satisfies the criteria for counter-narcotics certification under section 490 of the Foreign Assistance Act of 1961, and provides internationally recognized worker rights.

Conference agreement

The conference agreement provides that the President, in designating a country as eligible for the enhanced CBTPA benefits, shall take into account the existing eligibility criteria established under CBERA, as well as other appropriate criteria, including whether a country has demonstrated a commitment to undertake its WTO obligations and participate in negotiations toward the completion of the FTAA or comparable trade agreement, the extent to which the country provides intellectual property protection consistent with or greater than that afforded under the Agreement on Trade-Related Aspects of Intellectual Property Rights, the extent to which the country provides internationally recognized worker rights, whether the country has implemented its commitments to eliminate the worst forms of child labor, the extent to which a country has taken steps to become a party to and implement the Inter-American Convention Against Corruption, and the extent to which the country applies transparent, nondiscriminatory and competitive procedures in government procurement equivalent to those included in the WTO Agreement on Government Procurement and otherwise contributes to efforts in international fora to develop and implement international rules in transparency in government procurement.

In evaluating a potential beneficiary's compliance with its WTO obligations, the conferees expect the President to take account of the extent to which the country follows the rules on customs valuation set forth in the WTO Customs Valuation Agreement. With respect to intellectual property protection, it is the intention of the conferees that the President will also take into account the extent to which potential beneficiary countries are providing or taking steps to provide protection of intellectual property rights comparable to the protections provided to the United States in bilateral intellectual property agreements.

In evaluating a potential beneficiary's performance with respect to the existing eligibility criteria under CBERA, the conferees expect that the President will take into account, in evaluating a potential beneficiary's performance with respect to subsections (b)(2) and (c)(5) of section 212 of CBERA, the extent that beneficiary countries are providing or taking steps to provide protection of investment and investors comparable to the protection provided to the United States in bilateral investment treaties. And with respect to evaluating a potential beneficiary's performance with respect to subsection (c)(3) of CBERA relating to market access, the conferees intend that the President shall take into account the extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products that will receive the enhanced benefits provided under the CBTPA.

4. GENERAL REVIEW OF COUNTRIES

Present law

Section 212(f) of the CBERA requires the President to submit to the Congress every three years a complete report regarding the operation of the CBI program, including the results of a general review of beneficiary countries.

House bill

No provision, however section 104 of H.R. 984 amends section 212(f) of the CBERA to provide that the next review take place one year after the effective date of H.R. 984 and subsequent reviews occur at three year intervals thereafter. The bill requires the President to report to Congress on a triennial basis regarding the benefits accorded under the terms of H.R. 984. The review will be based on the 18 eligibility criteria listed in section 212 of the CBERA, as further interpreted by the bill. These criteria address such issues as intellectual property protection, investment protection, market access, worker rights, cooperation in administering the program, and the degree to which the country follows accepted rules of international trade provided for under the World Trade Organization. The President may determine, based on the review, whether to withdraw, suspend, or limit new parity benefits. Existing authority in the CBERA would continue to withdraw, suspend, or limit current benefits at any time based on the criteria under existing laws.

Senate amendment

No provision.

Conference Agreement

No provision.

5. SAFEGUARDS

Present law

The import relief procedures and authorities under sections 201–204 of the Trade Act of 1974 apply to imports from CBI beneficiary countries, as they do to imports from other countries. If CBI imports cause serious injury, or threat of such injury, to the domestic industry producing a like or directly competitive article, section 213(e) of the CBERA authorizes the President to suspend CBI duty-free treatment and proclaim a rate of duty or other relief measures.

Under NAFTA, the United States may invoke a special safeguard provision at any time during the tariff phase-out period if a NAFTA-origin textile or apparel good is being imported in such increased quantities and under such conditions as to cause ''serious damage, or actual threat thereof,'' to a domestic industry producing a like or directly competitive good. The President is authorized to either suspend further duty reductions or increase the rate of duty to the NTR rate for up to three years. The NAFTA also provides for a ''quantitative restriction'' safeguard, which the United States or Mexico may invoke against ''non-originating'' textile or apparel goods, using the standard of ''serious damage, or actual threat thereof.''

House bill

Under H.R. 984, normal safeguard authorities under CBERA would apply to imports of all products except textiles and apparel. The NAFTA equivalent safeguard authorities would apply to imports of textile and apparel products from CBI countries, except that, under the bill, the United States, if it applied a safeguard action, would not be obligated to provide equivalent trade liberalizing compensation to the exporting country.

Senate amendment

Identical provision except that the Senate bill does not contain provide a ''quantitative restriction'' safeguard.

Conference agreement

Senate provision.

6. TERMINATION OR WITHDRAWAL OF BENEFITS

Present law

The President may withdraw or suspend designation of any beneficiary country or withdraw, suspend, or limit the application of duty-free treatment to any article from any country if he determines that, as a result of changed circumstances, the country is not meeting criteria set forth in the statute for beneficiary country designation. The President must publish at least 30-days advance notice of the proposed action. The U.S. Trade Representative shall accept written public comments and hold a public hearing on the proposed action.

House bill

No provision. But under H.R. 984, all country designation criteria apply as under the CBERA. The President may withdraw, suspend, or limit the application of duty-free or preferential quota treatment to any article if he determines the country or the product, based on changed circumstances, should be barred from eligibility. The bill makes no change in the President's authority to withdraw, suspend, or limit current benefits under the CBERA at any time.

Senate amendment

The Senate bill provides that the President may withdraw or suspend the designation of a CBERA beneficiary country or withdraw, suspend, or limit duty-free treatment if, as a result of changed circumstances, the country no longer satisfies the mandatory eligibility criteria or fails adequately to meet one or more of the discriminatory criteria.

The Senate bill also provides that the President may withdraw or suspend the designation of CBTEA beneficiary country or CBTEA benefits if the President determines that, as result of changed circumstances, the country's performance is not satisfactory under the CBTEA eligibility criteria.

Conference agreement

The Conference Agreement merges the House and Senate provisions. The Conferees believes that it is appropriate to retain broad authority for the President to withdraw, suspend, or limit benefits under the CBERA and to provide similar authority for the President with respect to the new trade benefits under the bill.

D. CUSTOMS PROCEDURES AND PENALTIES FOR TRANSSHIPMENT

Present law

Under the NAFTA, Parties to the Agreement must observe Customs procedures and documentation requirements, which are established in Chapter 5 of NAFTA. Requirements regarding Certificates of Origin for imports receiving preferential tariffs are detailed in Article 502.1 of NAFTA.

House bill

No provision, but H.R. 984, as approved by the Committee on Ways and Means, requires the Secretary of the Treasury to prescribe regulations that require, as a condition of entry, that any importer of record claiming preferential tariff treatment for textile and apparel products under the bill must comply with requirements similar in all material respects to the requirements regarding Certificates of Origin contained in Article 502.1 of NAFTA, for a similar importation from Mexico. In addition, if an exporter is determined under the laws of the United States to have engaged in illegal transshipment of textile or apparel products from a partnership country, then the President shall deny all benefits under the bill to such exporter, and to any successors of such exporter, for a period of 2 years.

No provision. H.R. 984 requires the Commissioner of Customs to conduct a study analyzing the extent to which each partnership country has: 1) cooperated with the United States in instances of circumvention or alleged circumvention of existing quotas on imports of textile and apparel products; and 2) has taken appropriate measures consistent with its laws and domestic procedures to prevent transshipment and circumvention from taking place.

Senate amendment

The Senate bill provides that if the President determines that an exporter has engaged in transshipment with respect to textile and apparel products from a beneficiary country, the President shall deny all enhanced benefits to such exporter and any successor for a period of 2 years. In cases where the President has requested a beneficiary country to take action to prevent transshipment and the country has failed to do so, the President shall reduce the quantities of textile and apparel articles that may be imported into the U.S. from that country by three times the quantity of articles transshipped.

Conference agreement

The Conference Agreement merges the House and Senate provisions, but clarifies that the President may only ''triple-charge'' quotas to the extent that such action is consistent with WTO rules. The conferees believe these transshipment provisions will address concerns that increasing trade with the Caribbean Basin region could result in illegal transshipment of textile and apparel products through the region.

F. DUTY-FREE TREATMENT FOR CERTAIN BEVERAGES MADE WITH CARIBBEAN RUM

Present law

Rum and beverages made with rum are eligible for duty-free entry into the United States both under the CBI program and NAFTA, provided that they meet the CBI or NAFTA rules of origin and other requirements. When Caribbean rum is processed in Canada into a rum beverage and the beverage is exported from Canada into the United States, it is not eligible for duty-free treatment under either the CBI or NAFTA. Specifically, the beverage is ineligible for duty-free treatment under CBI, because it is not shipped directly from a beneficiary country to the United States as the CBI rules require. The beverage does not qualify for NAFTA duty-free treatment, because the processing in Canada is not sufficient to qualify it as a NAFTA ''originating good.''

House bill

No provision, however section 106 of H.R. 984, as approved by the Committee on Ways

and Means, amends the CBERA to accord duty-free treatment to certain beverages imported from Canada if: 1) the rum is the growth, product, or manufacture of a beneficiary country or the U.S. Virgin Islands; 2) the rum is imported directly into Canada, and the beverages made from it are imported directly from Canada into the United States; and 3) the rum accounts for at least 90 percent by volume of the alcoholic content of the beverages. This provision would ensure that certain rum beverages that originate in the CBI, but which are processed in Canada, are not denied duty-free treatment under the CBERA.

Senate amendment

No provision.

Conference agreement

Adopt provisions from H.R. 984.

G. MEETING OF CARIBBEAN TRADE MINISTERS AND USTR

Present law

No provision.

House bill

No provision, however section 107 of H.R. 984, as approved by the Committee on Ways and Means directs the President to convene a meeting with the trade ministers of CBI partnership countries in order to establish a schedule of regular meetings, to commence as soon as practicable, of the trade ministers and USTR. The purpose of the meetings is to advance consultations between the United States and partnership countries concerning the likely timing and procedures for initiating negotiations for partnership countries to: (1) accede to NAFTA; or (2) enter into comprehensive, mutually advantageous trade agreements with the United States that contain comparable provisions to NAFTA, and would make substantial progress in achieving the negotiation objectives listed in Section 108(b)(5) of Public Law 103–182. This provision is intended to encourage the United States Trade Representative to expand efforts to increase trade with countries in the Caribbean Basin region.

Senate amendment

No provision.

Conference agreement

Adopt provision of H.R. 984, with minor amendments.

TITLE III—NORMAL TRADE RELATIONS

SEC. 301. PERMANENT NORMAL TRADE RELATIONS FOR ALBANIA

Present law

Albania's trade status is currently governed by title IV of the Trade Act of 1974, as amended by the Customs and Trade Act of 1990 (title IV). Section 402 of title IV (also known as the Jackson-Vanik amendment) sets forth requirements relating to freedom of emigration, which must be met or waived by the President in order for the President to grant nondiscriminatory normal trade relations (NTR) status to non-market economy countries. Title IV also requires that a trade agreement remain in force between the United States and a non-market economy country receiving NTR status and sets forth minimum provisions which must be included in such agreement.

Albania, which was first granted NTR status in 1992, was found to be in full compliance with the Jackson-Vanik freedom of emigration requirements on December 5, 1997. Since then, NTR has been granted to Albania subject to semiannual review and disapproval by a Joint Resolution of Congress.

House bill

No provision.

Senate amendment

Section 701 of the Senate amendment authorizes the President to determine that title IV should no longer apply to Albania and to proclaim permanent normal trade relations (PNTR) for Albania. Application of title IV shall terminate with respect to Albania on the effective date of the President's extension of PNTR.

Conference agreement

The House recedes to the Senate.

The conferees note that Albania has concluded a bilateral investment treaty with the United States and been very cooperative with NATO and the international community during and after the Kosova crisis. Albania is also currently negotiating to join the World Trade Organization.

SEC. 302. PERMANENT NORMAL TRADING RELATIONS FOR KYRGYZSTAN

Present law

Kyrgyzstan's NTR status is currently governed by title IV of the Trade Act of 1974, as amended by the Customs and Trade Act of 1990 (title IV). Section 402 of title IV (also known as the Jackson-Vanik amendment) sets forth requirements relating to freedom of emigration, which must be met or waived by the President in order for the President to grant nondiscriminatory normal trade relations (NTR) status to non-market economy countries. Title IV also requires that a trade agreement remain in force between the United States and a non-market-economy country receiving NTR status and sets forth minimum provisions which must be included in such agreement.

Kyrgyzstan, which was granted NTR in 1992, was found to be in full compliance with the Jackson-Vanik freedom of emigration requirements on December 5, 1997. Since then, NTR has been granted to Kyrgyzstan subject to semiannual review, and disapproval by a Joint Resolution of Congress.

Kyrgyzstan joined the World Trade Organization (WTO) on December 20, 1998, and the United States was forced to invoke Article XIII of the Agreement Establishing the World Trade Organization, which allows the United States to withhold application of the WTO Agreements with respect to Kyrgyzstan until the United States extends it permanent normal trade relations status.

House bill

No provision.

Senate amendment

Section 702 of the Senate amendment authorizes the President to determine that title IV should no longer apply to Kyrgyzstan and to proclaim PNTR for Kyrgyzstan. Application of title IV shall terminate with respect to Kyrgyzstan on the effective date of the President's extension of PNTR.

Conference agreement

The House recedes to the Senate.

The conferees recognize that title IV of the Trade Act of 1974 has promoted the right to emigrate. Since the dissolution of the Soviet Union, minority groups have secured the return of communal properties confiscated during the Soviet period, thereby facilitating the reemergence of communal organizations and participation in domestic affairs. Based upon the report on compliance with title IV, the conferees conclude that Kyrgyzstan is in compliance with the emigration provisions of title IV and should be graduated from title IV, thereby permitting the extension of permanent normal trade relations to Kyrgyzstan.

With respect to national minorities, the conferees note that the member states of the Organization for Security and Cooperation in Europe (OSCE), including the former USSR and its successor states, have committed to ''adopt, where necessary, special measures for the purpose of ensuring to persons belonging to national minorities full equality . . . individually as well as in community with other members of their group.''

The conferees note that Kyrgyzstan is the first former Soviet state to be graduated from Jackson-Vanik and expect that the graduation of other successor states to the former Soviet Union will be contingent upon a thorough public assessment of their laws and policies regarding emigration.

TITLE IV—OTHER TRADE PROVISIONS

SEC. 401. REPORT ON EMPLOYMENT AND TAA

Present law

Title II of the Trade Act of 1974, as amended, authorizes three trade adjustment assistance (TAA) programs for the purpose of providing assistance to individual workers and firms that are adversely affected by import competition. Those programs are: the general TAA program for workers, which provides training and income support for workers adversely affected by import competition; the TAA program for firms, which provides technical assistance to qualifying firms; and the North American Free Trade Agreement Act (NAFTA) transitional adjustment assistance program which provides training and income support for workers who may be adversely impacted by imports from or production shifts to Canada and/or Mexico.

House bill

No provision.

Senate amendment

Section 703 of the Senate amendment requires GAO to submit a report to Congress within 9 months after the date of enactment offering specific data and recommendations concerning the effectiveness and efficiency of inter-agency and federal-state coordination of a number of worker training programs, including the general TAA program for workers, the NAFTA Transitional Adjustment Assistance program, the Workforce Investment Act of 1998 and the federal unemployment insurance program. GAO would be required to examine the compatibility of the existing worker retraining/compensation programs, the effects of foreign trade and shifts in production on workers in the United States and the impact that the trade effects and production shifts have had on ''secondary'' workers, i.e., those whose jobs are affected indirectly by import competition because their customers were adversely affected by imports or production shifts. The amendment responds to the concern that there are conflicting requirements in the worker retraining programs, including eligibility requirements and the benefits available. It also aims at establishing an objective assessment of the impact of imports and production shifts on job loss in the United States.

Conference agreement

The House recedes to the Senate.

SEC. 402. TRADE ADJUSTMENT ASSISTANCE

Present law

Title II of the Trade Act of 1974, as amended, authorizes three trade adjustment assistance (TAA) programs for the purpose of providing assistance to individual workers and firms that are adversely affected by import competition. Those programs are: the general TAA program for workers, which provides training and income support for workers adversely affected by import competition; the TAA program for firms, which provides technical assistance to qualifying firms; and the North American Free Trade Agreement Act (NAFTA) transitional adjustment assistance program which provides training and income support for workers who may be adversely impacted by imports from

or production shifts to Canada and/or Mexico. Under the general TAA program for workers, a worker must be certified by the Secretary of Labor as eligible for benefits before applying for the assistance. A worker is not eligible for benefits, however, if they have applied for such assistance after the expiration of the 2-year period beginning with the worker's initial certification for benefits by the Secretary of Labor.

House bill

No provision.

Senate amendment

Section 704 of the Senate amendment provides that a group of workers who will lose their jobs at a nuclear power plant in Oregon that is closing would be eligible for TAA benefits, notwithstanding the fact that their original eligibility for TAA benefits, as determined by the Labor Department, expired more than two years ago. In 1993, the Department of Labor certified workers at a nuclear power plant near Portland, Oregon, as eligible for TAA benefits as a result of increased competition from imports of electricity from British Columbia. The plant was slated to be shut down and has been going through the decommissioning process since that time. Because of the length of time it takes to decommission a nuclear power plant, a number of workers kept their jobs for several years and would otherwise be ineligible for TAA benefits because of the expiration of the initial certification. This provision would reinstate their eligibility for TAA.

Conference agreement

The House recedes to the Senate.

SEC. 403. RELIQUIDATION OF CERTAIN NUCLEAR FUEL ASSEMBLIES

Present law

Nuclear fuel rods containing fuel elements are classifiable under Harmonized Tariff System (HTS) subheading 8401.30.00, which provides for ''fuel elements (cartridges), non-irradiated, and parts thereof.'' Prior to the adoption of the HTS in 1989, these fuel elements were classifiable in a separate duty free provision under the Tariff Schedules of the United States Annotated (TSUSA).

House bill

No provision.

Senate amendment

Section 708 authorizes the Secretary of the Treasury, upon a proper request filed no later than 90 days after the enactment of the Act, to reliquidate as free of duty five identified entries of nuclear fuel assemblies, and refund duties paid on each identified entry, including duties paid on October 4, 1994, referenced in Customs Service Collection Receipt Number 527006753.

Conference agreement

The House recedes to the Senate, with an amendment to correct a date of entry.

SEC. 404. REPORTS TO THE FINANCE AND WAYS AND MEANS COMMITTEES

Present law

Section 607 of the Foreign Operations, Export Financing, and Related Appropriations Act, 1999 (as contained in section 101(d) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (112 Stat. 2681–224) directs the Administration to report to certain Congressional Committees on various issues. Among these were a certification by the Treasury Secretary and the Chairman of the Federal Reserve Board that the International Monetary Fund is requiring borrowers to liberalize restrictions on trade in goods and services, consistent with the terms of all international trade agreements of which the borrowing country is a signatory. The Secretary of the Treasury is also directed to periodically report on the progress of efforts to reform the architecture of the international monetary system, with a focus on minimizing disruptions in patterns of trade.

Section 1704(b) of the International Financial Institutions Act (22 U.S.C. 262r–3(b)) requires the Secretary of the Treasury to report to certain Congressional Committees semiannually on financial stabilization programs led by the IMF in connection with financing from the Exchange Stabilization Fund. The reports are to include a description of the degree to which recipient countries are ensuring that no government subsidies or tax privileges will be provided to bail out individual corporations, particularly in the semiconductor, steel, and paper industries. Also, the report is to include a description of the trade policies of the countries involved, including any unfair trade practices or adverse effects of the trade policies on the U.S.

Section 1705(a) of the International Financial Institutions Act (22 U.S.C. 262r–5(a)) requires the Secretary of the Treasury to report to certain Congressional committees annually on the state of the international financial system.

Section 1706(a) of the International Financial Institutions Act (22 U.S.C. 262r–5(a)) requires the Comptroller General to report to certain Congressional committees on the trade policies of IMF borrower countries.

Section 629 of the Treasury and General Government Appropriations Act, 1999 requires the Administration to report to certain Congressional committees on the protection of United States borders against drug traffic.

Although each of these reports is required to address international trade issues, none are specifically directed to the Senate Finance or House Ways and Means Committees.

House bill

No provision.

Senate amendment

Sec. 710 of the Senate amendment includes the Finance and Ways and Means Committees among those Congressional Committees receiving the certifications and reports on international trade and international economic issues which are otherwise mandated by section 607 of the Foreign Operations, Export Financing, and Related Appropriations Act, 1999 (Pub. L. 105–277; 112 Stat. 2681–224); section 1704(b) of the International Financial Institutions Act (22 U.S.C. 262r–3(b)); section 1705(a) of the International Financial Institutions Act (22 U.S.C. 262r–5(a)); section 1706(a) of the International Financial Institutions Act (22 U.S.C. 262r–5(a)); section 629 of the Treasury and General Government Appropriations Act, 1999.

Conference agreement

The House recedes to the Senate.

SEC. 405. CLARIFICATION OF SECTION 334 OF THE URUGUAY ROUND AGREEMENTS ACT

Present law

Section 334 of the Uruguay Round Agreements Act (URAA) (P.L. 103–465) (1994), commonly referred to as the Breaux-Cardin rules of origin for textile and apparel, directed the Secretary of the Treasury to prescribe rules for determining the origin of textile and apparel products. Under those new rules, fabrics and certain products (such as scarves and handkerchiefs) derive their origin in the country where the fabric is woven or knitted (notwithstanding any further processing such as dyeing and printing). In addition, the country of origin of any other textile or apparel product is the country in which the textile or apparel product is wholly assembled. Under the multicountry rule, origin is conferred in the country in which the most important assembly or manufacturing process occurs, or if origin cannot be determined in this manner, origin is conferred in the last country in which important assembly or manufacturing occurs.

House bill

No provision.

Senate amendment

Section 711 would reinstate the rules of origin that existed prior to URAA for certain products. Specifically, the amendment would confer origin as the country in which dyeing, printing, and two or more finishing operations were done on fabrics classified under the HTS as of silk, cotton, man-made, and vegetable fibers. This rule would also apply to various products classified in 18 identified HTS subheadings (mostly flat products) except for goods made from cotton, wool, or fiber blends containing 16 percent or more of cotton.

Conference agreement

The House recedes to the Senate.

Prior to the Breaux-Cardin enactment, the rules of origin permitted the processes of dyeing and printing to confer origin when accompanied by two or more finishing operations for certain products. Under the new regulations prescribed by the Secretary of the Treasury, certain fabrics, silk handkerchiefs and scarves were considered to originate where the base fabric was knit and woven, notwithstanding any further processing.

In May 1997, the European Union (EU) requested consultations in the World Trade Organization (WTO) with the United States, charging that the changes to the rules of origin made by URAA violated United States obligations under a number of agreements: the Agreement on Textiles and Clothing, the Agreement on Rules of Origin, the Agreement on Technical Barriers to Trade, and the General Agreement on Tariffs and Trade. A number of countries requested third-party participation in the dispute. A ''process-verbal'' was concluded between the two countries in July 1997, which was later amended. Formal consultations were held in January 1999.

In August 1999, the United States and the EU agreed to settle the dispute. A second ''process-verbal'' concluded between the two countries obligates the U.S. Administration to submit legislation which, as described above, amends the rule-of-origin requirements in section 334 of the URAA in order to allow dyeing, printing, and two or more finishing operations to confer origin on certain fabrics and goods. In particular, this dyeing and printing rule would apply to fabrics classified under the Harmonized Tariff Schedule (HTS) as silk, cotton, man-made, and vegetable fibers. The rule would also apply to the various products classified in 18 specific subheadings of the HTS listed in the bill, except for goods made from cotton, wool, or fiber blends containing 16 percent or more of cotton.

SEC. 406. CHIEF AGRICULTURAL NEGOTIATOR

Present law

Currently, a special Trade Negotiator with the rank of Ambassador serves as the Chief Negotiator for agricultural trade in the Office of the United States Trade Representative. The position is not established in statute.

House bill

No provision.

Senate amendment

Section 712 amends section 141 of the Trade Act of 1974 ((19 U.S.C.) 2171) to establish in

statute within the Office of the United States Trade Representative a Chief Agricultural Negotiator with the rank of Ambassador who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of a Deputy United States Trade Representative or the Chief Agricultural Negotiator submitted to the Senate for its advice and consent, and referred to a committee, shall be referred to the Committee on Finance.

The principal function of the Chief Agricultural Negotiator shall be to conduct trade negotiations, enforce trade agreements relating to United States agricultural products and service, and be a vigorous advocate on behalf of United States agricultural interests.

Conference agreement

The House recedes to the Senate.

SEC. 407. REVISION OF RETALIATION LIST OR OTHER REMEDIAL ACTION

Present law

No provision.

House bill

No provision.

Senate amendment

Section 713 of the Senate amendment amends the Trade Act of 1974 to require the United States Trade Representative (USTR) to make periodic revisions of retaliation lists 120 days from the date the retaliation list is made and every 180 days thereafter. The purpose of this provision is to facilitate efforts by the USTR to enforce the rights of the United States in instances where another World Trade Organization (WTO) member fails to comply with the results of a dispute settlement proceeding.

Conference agreement

The House recedes to the Senate. The conferees added language that requires the USTR to include on any retaliation list reciprocal goods of the industries affected by the failure of the World Trade Organization member to implement the decision of the WTO. This new provision does not apply when the preliminary or initial retaliation list does not include any reciprocal goods of the industries affected.

The conferees are of the view that compliance with dispute settlement panel and Appellate Body decisions is essential to the successful operation of the WTO. This objective has been threatened by non-compliance in some recent cases brought by the United States—particularly in disputes with the European Union involving beef and bananas.

It is the view of the Conferees that this provision affirms authority already available to the U.S. Trade Representative under the Trade Act of 1974. It is further the view of the conferees that this provision is consistent with the United States international obligations under the Dispute Settlement Understanding of the WTO, and that the USTR would retain ample discretion and authority to ensure that retaliation implemented by the United States remained within the levels authorized by the WTO. As the provision makes clear, actions taken by the USTR are intended to be structured carefully and to effectuate substantial changes that will maximize the likelihood of compliance by the losing member. The Ways and Means and Finance Committees will monitor those actions to ensure that changes are made consistent with that intention.

With regard to pending cases in which the United States has taken retaliatory measures, and in which the initial timetable for action laid out in the provision has already passed, the conferees expect that the USTR will undertake the initial action required by the provision no later than 30 days after the enactment of the law, and will undertake any subsequently required action every 180 days thereafter. It is also the sense of the conferees that USTR should vigorously defend the authority granted under the statute with its trading partners.

SEC. 408. REPORT ON TAA FOR AGRICULTURAL COMMODITY PRODUCERS

Present law

Title II of the Trade Act of 1974, as amended, authorizes three trade adjustment assistance (TAA) programs for the purpose of providing assistance to individual workers and firms that are adversely affected by import competition. Those programs are: the general TAA program for workers, which provides training and income support for workers adversely affected by import competition; the TAA program for firms, which provides technical assistance to qualifying firms; and the North American Free Trade Agreement Act (NAFTA) transitional adjustment assistance program which provides training and income support for workers who may be adversely impacted by imports from or production shifts to Canada and/or Mexico.

House bill

No provision.

Senate amendment

Section 715 of the Senate amendment requires that the Secretary of Labor, not later than 4 months after enactment of the provision and in consultation with the Secretary of Agriculture and Secretary of Commerce, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that examines the applicability to farmers of trade adjustment assistance programs under title II of the Trade Act of 1974. The report will also set forth recommendations to improve the operation of those programs as they apply to farmers or to establish a new trade adjustment assistance program for farmers.

Conference agreement

The House recedes to the Senate.

SEC. 409 AGRICULTURE TRADE NEGOTIATING OBJECTIVES AND CONSULTATIONS WITH CONGRESS

Present law

No provision.

House bill

No provision.

Senate amendment

Section 723 of the Senate amendment consists of three sections. The first section lists findings of the Congress. The second section contains the specific agricultural negotiating objectives of the United States for the World Trade Organization's agriculture negotiations mandated by the Uruguay Round. The third section mandates consultations with Congress at specific points during the negotiations.

Conference Agreement

The House recedes to the Senate.

SEC. 410. ENTRY PROCEDURES FOR FOREIGN TRADE ZONE OPERATIONS

Present law

Section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) sets forth the procedures for the entry of merchandise imported into the United States. Under section 484, the Customs Service has permitted a limited weekly entry procedure for foreign trade zones (FTZ) since May 12, 1986 (as authorized by T.D. 86–16, 51 Fed. Reg. 5040). This procedure has been limited to merchandise which is manufactured or changed into its final form just prior to its transfer from the zone. Section 637 of the Customs Modernization Act (included as title VI of the North American Free Trade Agreement Implementation Act, Pub. L. 103–182, 107 Stat. 2057) provided the Customs Service with additional statutory support for the weekly entry procedure.

House bill

No provision.

Senate amendment

Sec. 302 of the Senate amendment amends Section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) to allow merchandise withdrawn from a foreign-trade zone during a week (i.e., any 7 calendar day period) to be the subject of a single entry, at the option of the zone operator or user. Such an entry is treated under the new provision as a single entry or release of merchandise for purposes of assessment of the merchandise processing fee of 19 U.S.C. 8c(a)(9)(A) and thus may not be assessed such fee in excess of the fee limitations provided for under 19 U.S.C. 58c(b)(8)(A)(i). All other pertinent exceptions and exclusions from the merchandise processing fee would also apply, as appropriate. The amendment establishes a new section 19 U.S.C. 1484(a)(3). The provision is self executing and accordingly does not require the issuance of implementing regulations by the Secretary of the Treasury in order for it to go into effect.

The net effect of the provision is to require Customs to expand the weekly entry system (which currently is only available to certain manufactured goods) to permit FTZ operators and users to use a weekly entry system, under certain limitations, if they so choose. This expanded procedure allows for goods stored in a FTZ for the purpose of warehouse and distribution to be removed from the zone under a weekly Customs entry process. This provision would also mean that the merchandise processing fee (MPF) that Customs collects would be collected on the basis of that single weekly entry at the same rate applicable to any other single entry of such merchandise into the Customs territory of the United States.

Conference agreement

The House recedes to the Senate.

While the Customs Service issued proposed regulations to expand the weekly entry system (62 Fed. Reg. 12129 (March 14, 1997) consistent with Congress' intent as set out in the Customs Modernization Act, those regulations were never finalized. The conferees intend the new provision to remedy that failure by requiring such treatment as a matter of law.

The new provision is not intended to qualify, limit or restrict any foreign-trade zone weekly entry procedures now in effect. Rather, it is intended to broaden the availability of weekly entry procedures to all zones, including general purpose zones and special purpose subzones, and to all zone operations and processes authorized by law. Consistent with the Foreign Trade Zones Act, the new procedure is available for merchandise of every description, except such as is prohibited by law, regardless of whether such merchandise is of the same class, type or category or of different classes, types, and categories.

The conferees are mindful of the revenue impact of this expanded procedure, but the conferees also believe that, consistent with the notion of a user fee, the MPF is not a revenue raiser for Customs expenses, but instead is intended to cover the cost of the service U.S. Customs provides.

The conferees also believe that the Customs Service pilot procedure to expand the weekly entry filing procedures to activities other than manufacturing operations is consistent with Congress' intent relating to

periodic entry for weekly entries for merchandise from general purpose foreign trade zones, as set out in the Mod Act. Section 637 of the Mod Act, which amended 19 U.S.C. 1484 concerning the entry of merchandise generally, among other things, provides further statutory support for the weekly entry procedure. Part 1, page 136 of the Ways and Means NAFTA Implementation Act Report (103–361) reflects the intent of Congress. The report states, ''in developing the regulations for periodic entry, the Committee intends that Customs will allow for weekly and monthly entries for merchandise shipments from general purpose foreign trade zones and subzones.''

SEC. 411. GOODS MADE WITH FORCED OR INDENTURED CHILD LABOR

Present law

Section 307 of the Tariff Act of 1930 prohibits the importation of articles made by convict labor or/and forced labor or/and indentured labor under penal sanctions.

House bill

No provision.

Senate amendment

Section 707 of the Senate bill amends section 307 of the Tariff Act of 1930 to clarify that the ban on articles made with forced or/and indentured labor includes those articles made with forced or/and indentured child labor.

Conference agreement

The House recedes to Senate.

SEC. 412. WORST FORMS OF CHILD LABOR

Present law

No provision.

House bill

No provision.

Senate amendment

Section 722 provides that no benefits under the Act (with respect to the provisions covering sub-Saharan Africa, CBI, or GSP) shall be granted to countries that fail to meet and effectively enforce the standards established by ILO Convention No. 182 on the Worst Forms of Child Labor.

Conference agreement

The conference agreement adds a new eligibility criterion to the Generalized System of Preferences so that the President shall not designate a country for benefits if it has not implemented its obligations to eliminate the worst forms of child labor. The conference agreement adopts the GSP program's standard for purposes of the eligibility criteria applicable to the additional trade benefits extended to African beneficiary countries. The conferees intend that the GSP standard, including the provision with respect to implementation of obligations to eliminate the worst forms of child labor, apply to eligibility for those additional benefits.

The conferees note the tremendous progress on the elimination of the worst forms of child labor accomplished in the International Labor Organization through the unanimous approval of ILO Convention No. 182. The conferees believe that the practices described in the Convention, as agreed by all ILO members, represent heinous activities that should not be tolerated. For this reason the conferees are willing for the first time to include an eligibility criterion relating to whether a country has implemented its obligations to eliminate the worst forms of child labor. The conferees recognize that the convention represents the international standard on the worst forms of child labor and have accordingly defined the worst forms of child labor using the definition in ILO Convention No. 182.

It is the expectation of the conferees that the beneficiaries of the Africa, CBI and GSP programs will join the United States in ratifying ILO Convention No. 182 as soon as possible and promptly come into compliance with the procedural requirements of that convention including the submission to the ILO of the National Action Plans required by the convention, the designation of a competent authority responsible for the implementation of the convention and the submission of annual reports to the ILO identifying steps taken to implement the provisions of the convention.

In determining whether a country is complying with the terms of section 502(b)(2)(G) with respect to GSP (and related provisions with respect to benefits for sub-Saharan Africa), the conferees intend that the President consider (1) whether the country has adequate laws and regulations proscribing the worst forms of child labor; (2) whether the country has adequate laws and regulations for the implementation and enforcement of such measures; (3) whether the country has established formal institutional mechanisms to investigate and address complaints relating to allegations of the worst forms of child labor; (4) whether social programs exist in the country to prevent the engagement of children in the worst forms of child labor, and to assist with the removal of children engaged in the worst forms of child labor; (5) whether the country has a comprehensive policy for the elimination of the worst forms of child labor; and (6) whether the country is making continual progress toward eliminating the worst forms of child labor.

The conferees intend that the phrase ''work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children'' be defined as provided in Article II of Recommendation No. 190, which accompanies ILO Convention No. 182. Accordingly, work that is ''likely to harm the health, safety or morals of children'' includes work that exposes children to physical, psychological, or sexual abuse; work underground, under water, at dangerous heights or in confined spaces; work with dangerous machinery, equipment or tools, or work under circumstances which involve the manual handling or transport of heavy loads; work in an unhealthy environment that exposes children to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to their health; and work under particularly difficult conditions such as for long hours, during the night or under conditions where children are unreasonably confined to the premises of the employer.

The conferees further intend that the phrase ''work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children'' be interpreted in a manner consistent with the intent of Article 4 of ILO Convention No. 182, which states that such work shall be determined by national laws or regulations or by the competent authority in the country involved. In addition, the conferees intend that the phrase generally not apply to situations in which children work for their parents on bona fide family farms or holdings.

The conferees expect that the Secretary of Labor, in preparing the report required under section 504, will invite public comment to assist in the preparation of his or her findings to be incorporated in each annual report. The conferees expect that the President, in making determinations under section 504(d) with respect to the withdrawal, suspension or limitation of benefits, will take into account the findings of the Secretary of Labor.

TITLE V—IMPORTS OF CERTAIN WOOL ARTICLES

Present law

Under current law, worsted wool fabric imported into the United States is subject to tariffs of 29.4 percent, whereas apparel articles made from such fabric, such as men's suits, may be imported at a tariff rate of 19.3 percent. By applying a higher tariff to the input product, the tariff schedule provides an incentive for the importation of the more-labor intensive and higher-value-added apparel item. That inversion has been compounded by the reduction of tariffs applicable to men's wool suits under U.S. free trade agreements, with the effect that U.S. suit-makers face a still more considerable competitive disadvantage relative to imports of suits from Canada and Mexico because the difference in tariffs applicable to worsted wool fabric relative to the zero rate of duty paid on imports of suits is the full 19.3 percent of the tariff applicable to fabric imported by such manufacturers.

House bill

No provision.

Senate amendment

Section 721 of the Senate amendment expresses the sense of the Senate that United States trade policy should, taking into account the conditions among U.S. producers, place a priority on the elimination of tariff inversions that undermine the competitiveness of United States consuming industries.

Conference agreement

The conferees agree to reduce tariffs on worsted wool fabric intended for use in the manufacture of men's suits, suit-type jackets, and trousers in order to limit the tariff inversion U.S. suit-makers face in the purchase of such fabric. For worsted wool fabric containing greater than or equal to 85 percent wool intended for use in the suit market made from fiber averaging 18.5 micron or less in diameter, the applicable tariff would be reduced from the current U.S. rate on such fabric to a level equivalent to the current Canadian ''most favored nation'' (''MFN'') rate applicable to imports of such fabric, to a quantity equaling 1.5 million square meter equivalents each year. For worsted wool fabric of the type used in the manufacture of men's suits made from fiber greater than 18.5 micron, the applicable tariff would be reduced from the current U.S. rate on such fabric to the current U.S. rate on worsted wool suit-type jackets, up to a quantity equaling 2.5 million square meter equivalents each year. The conference agreement suspends the current U.S. tariff on worsted wool yarn containing greater than or equal to 85 percent wool of average fiber diameter of 18.5 micron or finer and on wool fiber and wool top made from wool fiber of an average diameter of 18.5 micron and finer from the current U.S. normal trade relations (NTR) rate to zero.

The conference agreement also authorizes the President to grant additional tariff relief on wool fabric of up to 1 million square meter equivalents per year for worsted wool fabric from fiber of 18.5 micron and finer and up to 1 million square meter equivalents per year for worsted wool fabric from fiber greater than 18.5 micron. Expanding the quantity of fabric to which the tariff reductions would apply would depend each year on the President's determination with respect to then-current market conditions in the United States markets for suits, fabric, yarn and fiber. In particular, the President should focus on growth in production and the relative competitiveness and health of both the suit-making and fabric manufacturing industries in the United States.

Under the conference agreement, the President is obliged to monitor market conditions

in the United States and, toward that end, establish statistical suffixes in the Harmonized Tariff Schedule sufficient for the collection of certain data on imports of worsted wool fabric and apparel. The President has residual authority to reduce the applicable tariffs on imports of worsted wool fabric in order to take into account any staged reductions in the U.S. tariff rate applicable to worsted wool suits and the Canadian tariff rate applicable to worsted wool fabric that serve as benchmark rates under the conference report.

The conference report requires the President or his or her designee to allocate the available tariff relief on worsted wool fabric among manufacturers of the apparel items identified in the agreement based on historical production. The same principle would apply to the President's allocation of other tariff relief provided under these provisions of the conference agreement.

The conference agreement also provides for the refund of certain duties in each of three succeeding years on imports of worsted wool fabric used in men's and boys' suits, suit-type jackets and trousers, worsted wool yarn, wool fiber and wool top. In each instance, a U.S. manufacturer of a downstream product would be eligible for a refund of duties currently paid on certain inputs up to an amount that is one-third of the duties actually paid by such importing U.S. manufacturer on such items in calendar year 1999. In the case of worsted wool fabric, for example, a U.S. suit-maker would be eligible to claim a refund during calendar year 2000 for one-third of the duties paid on such fabric during calendar year 1999. The same refund schedule applies to a fabric-maker's importation of wool yarn, wool fiber, and wool top.

The conference agreement creates a fund for research and market development for American wool-growers that would assist in disseminating information that would help the industry improve the quality of the fiber provided and its production methods. The conference report sets aside duties collected under the HTS chapter relating to the products covered by these provisions—wool fiber and top and worsted wool yarn and fabric up to an amount of $2.25 million per year in each fiscal year from 2000–2003. It is the intent of the conferees that the United States Department of Agriculture shall designate an experienced cooperator such as the American Wool Council as the trust fund's representative for the purposes of this provision.

The conferees direct the President to determine what mechanisms are available under the North American Free Trade Agreement (NAFTA), the World Trade Organization and U.S. domestic law to alleviate the serious injury to the U.S. wool suit and fabric industries as a result of the Canadian wool tariff preference level under the NAFTA. The President shall recommend that the U.S. Trade Representative undertake the appropriate steps necessary to help remedy the adverse effect on this sector's competitiveness, and shall report his recommendations to the Committee on Ways and Means of the House of Representatives and the Senate Committee on Finance by January 1, 2001.

TITLE VI—REVENUE PROVISIONS

A. Limitation on the Use of Non-Accrual Experience Method of Accounting

(SEC. 21 OF THE HOUSE BILL, SEC. 504 OF THE SENATE AMENDMENT, AND SEC. 448 OF THE CODE)

Present law

An accrual method taxpayer generally must recognize income when all the events have occurred that fix the right to receive the income and the amount of the income can be determined with reasonable accuracy. An accrual method taxpayer may deduct the amount of any receivable that was previously included in income that becomes worthless during the year.

Accrual method taxpayers are not required to include in income amounts to be received for the performance of services which, on the basis of experience, will not be collected (the ''non-accrual experience method''). The availability of this method is conditioned on the taxpayer not charging interest or a penalty for failure to timely pay the amount charged. The Secretary of the Treasury has published temporary regulations[1] requiring the use of a formula comparing receivables not collected to total receivables earned during the testing period in determining the portion of the amount which, on the basis of experience, will not be collected. The temporary regulations provide that no other method or formula may be used by a taxpayer in determining the uncollectible amounts under this subsection.

A cash method taxpayer is not required to include an amount in income until it is received. A taxpayer generally may not use the cash method if purchase, production, or sale of merchandise is an income producing factor. Such taxpayers generally are required to keep inventories and use an accrual method of accounting. In addition, corporations (and partnerships with corporate partners) generally may not use the cash method of accounting if their average annual gross receipts exceed $5 million. An exception to this $5 million rule is provided for qualified personal service corporations. A qualified personal service corporation is a corporation (1) substantially all of whose activities involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts or consulting and (2) substantially all of the stock of which is owned by current or former employees performing such services, their estates or heirs. Qualified personal service corporations are allowed to use the cash method without regard to whether their average annual gross receipts exceed $5 million.

House bill

The House bill provides that the non-accrual experience method will be available only for amounts to be received for the performance of qualified personal services. Amounts to be received for the performance of all other services will be subject to the general rule regarding inclusion in income. Qualified personal services are personal services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts or consulting. As under present law, the availability of the method is conditioned on the taxpayer not charging interest or a penalty for failure to timely pay the amount.

Effective date.—The provision of the House bill is effective for taxable years ending after the date of enactment. Any change in the taxpayer's method of accounting necessitated as a result of the proposal will be treated as a voluntary change initiated by the taxpayer with the consent of the Secretary of the Treasury. Any required section 481(a) adjustment is to be taken into account over a period not to exceed four years under principles consistent with those in Rev. Proc. 99–49.[2]

Senate amendment

The Senate amendment is the same as the House bill.

Conference agreement

The conference agreement does not include the House bill or the Senate amendment provision.

B. Add Certain Vaccines Against Streptococcus Pneumoniae to the List of Taxable Vaccines

(SEC. 22 OF THE HOUSE BILL AND SECS. 4131 AND 4132 OF THE CODE)

Present law

A manufacturer's excise tax is imposed at the rate of 75 cents per dose (sec. 4131) on the following vaccines recommended for routine administration to children: diphtheria, pertussis, tetanus, measles, mumps, rubella, polio, HIB (haemophilus influenza type B), hepatitis B, varicella (chicken pox), and rotavirus gastroenteritis. In addition, the Ticket to Work and Work Incentives Improvement Act of 1999 (Pub. L. No. 106–170, December 17, 1999) added any conjugate vaccine against streptococcus pneumoniae to the list of taxable vaccines. The tax applied to any vaccine that is a combination of vaccine components equals 75 cents times the number of components in the combined vaccine.

Amounts equal to net revenues from this excise tax are deposited in the Vaccine Injury Compensation Trust Fund (''Vaccine Trust Fund'') to finance compensation awards under the Federal Vaccine Injury Compensation Program for individuals who suffer certain injuries following administration of the taxable vaccines. This program provides a substitute Federal, ''no fault'' insurance system for the State-law tort and private liability insurance systems otherwise applicable to vaccine manufacturers and physicians. All persons immunized after September 30, 1988, with covered vaccines must pursue compensation under this Federal program before bringing civil tort actions under State law.

House bill

The House bill would add any conjugate vaccine against streptococcus pneumoniae to the list of taxable vaccines.

Senate amendment

No provision.

Conference agreement

No provision. However, the provision was enacted in the Ticket to Work and Work Incentives Improvement Act of 1999.

C. Modification of Installment Method and Repeal of Installment Method for Accrual Method Taxpayers

(SEC. 501 OF THE SENATE AMENDMENT AND SECS. 453 AND 453A OF THE CODE)

Present law

The installment method of accounting allows a taxpayer to defer the recognition of income from the disposition of certain property until payment is received. Sales to customers in the ordinary course of business are not eligible for the installment method, except for sales of property that is used or produced in the trade or business of farming and sales of timeshares and residential lots if an election to pay interest under section 453(1)(2)(B)) is made. The Ticket to Work and Work Incentives Improvement Act of 1999 prohibits the use of the installment method for a transaction that would otherwise be required to be reported using the accrual method of accounting, effective for dispositions occurring on or after December 17, 1999.

A pledge rule provides that if an installment obligation is pledged as security for any indebtedness, the net proceeds[3] of such indebtedness are treated as a payment on the

[1] Treas. Reg. sec. 1.448–2T.

[2] 1999–52 I.R.B. 725.

[3] The net proceeds equal the gross loan proceeds less the direct expenses of obtaining the loan.

obligation, triggering the recognition of income. Actual payments received on the installment obligation subsequent to the receipt of the loan proceeds are not taken into account until such subsequent payments exceed the loan proceeds that were treated as payments. The pledge rule does not apply to sales of property used or produced in the trade or business of farming, to sales of timeshares and residential lots where the taxpayer elects to pay interest under section 453(1)(2)(B), or to dispositions where the sales price does not exceed $150,000. The Ticket to Work and Work Incentives Improvement Act of 1999 provides that the right to satisfy a loan with an installment obligation will be treated as a pledge of the installment obligation, effective for dispositions occurring on or after December 17, 1999.

House bill

No provision.

Senate amendment

The Senate amendment contains provisions prohibiting the use of the installment method for a transaction that would otherwise be required to be reported using the accrual method of accounting and expanding the pledge rule.

Conference agreement

No provision. The provisions in the Senate amendment were enacted in the Ticket to Work and Work Incentives Improvement Act of 1999.

D. Impose Limitation on Prefunding of Certain Employee Benefits

(SEC. 502 OF THE SENATE AMENDMENT AND SECS. 419A AND 4976 OF THE CODE)

Present law

Under present law, contributions to a welfare benefit fund generally are deductible when paid, but only to the extent permitted under the rules of sections 419 and 419A. The amount of an employer's deduction in any year for contributions to a welfare benefit fund cannot exceed the fund's qualified cost for the year minus the fund's after-tax income for the year. With certain exceptions, the term qualified cost means the sum of (1) the amount that would be deductible for benefits provided during the year if the employer paid them directly and was on the cash method of accounting, and (2) within limits, the amount of any account consisting of assets set aside for the payment of disability benefits, medical benefits, supplemental unemployment compensation or severance pay benefits, or life insurance benefits. The account limit for a qualified asset account for a taxable year is generally the amount reasonably and actuarially necessary to fund claims incurred but unpaid (as of the close of the taxable year) for benefits with respect to which the account is maintained and the administrative costs incurred with respect to those claims. Specific additional reserves are allowed for future provisions of post-retirement medical and life insurance benefits.

The deduction limits of sections 419 and 419A for contributions to welfare benefit funds do not apply in the case of certain 10-or-more employer plans. A plan is a 10-or-more employer plan if (1) more than one employer contributes to it, and (2) no employer is normally required to contribute more than 10 percent of the total contributions contributed under the plan by all employers. The exception is not available if the plan maintains experience-rating arrangements with respect to individual employers.

If any portion of a welfare benefit fund reverts to the benefit of an employer, an excise tax equal to 100 percent of the reversion is imposed on the employer.

House bill

No provision.

Senate amendment.

The Senate amendment limits the present-law exception to the deduction limit for 10-or-more employer plans to plans that provide only medical benefits, disability benefits, and qualifying group-term life insurance benefits to plan beneficiaries. The legislative history provides that it is intended that a plan will not be treated as failing to provide only medical benefits, disability benefits, and qualifying group-term life insurance benefits to plan beneficiaries merely because the plan provides certain de minimis ancillary benefits addition to medical, disability, and qualifying group-term life insurance benefits (e.g., accidental death and dismemberment insurance, group-term life insurance coverage for dependents and directors, business travel insurance, and 24-hour accident insurance). Such ancillary benefits are considered de minimis only if the total premiums for all such insurance coverages for the year do not exceed 2 percent of the total contributions to the plan for the year for all employers. Of course, any benefits provided are includable in income unless expressly excluded under a specific provision under the Code.

The legislative history also provides that, for purposes of this provision, qualifying group-term life insurance benefits do not include any arrangements that permit a plan beneficiary to directly or indirectly access all or part of the account value of any life insurance contract, whether through a policy loan, a partial or complete surrender of the policy, or otherwise. The legislative history provides that it is intended that qualifying group-term life insurance benefits do not include any arrangement whereby a plan beneficiary may receive a policy without a stated account value that has the potential to give rise to an account value whether the exchange of such policy for another policy that would have an account value or otherwise.

Under the Senate amendment, the 10-or-more employer plan exception is no longer available with respect to plans that provide supplemental unemployment compensation, severance pay, or life insurance (other than qualifying group-term life insurance) benefits. Thus, the generally applicable deduction limits (sections 419 and 419A) apply to plans providing these benefits.

In addition, if any portion of a welfare benefit fund attributable to contributions that are deductible pursuant to the 10-or-more employer exception (and earnings thereon) is used for a purpose other than for providing medical benefits, disability benefits, or qualifying group-term life insurance benefits to plan beneficiaries such portion is treated as reverting to the benefit of the employers maintaining the fund and is subject to the imposition of the 100-percent excise tax.[4] Thus, for example, cash payments to employees upon termination of the fund, and loans or other distributions to the employee or employer, would be treated as giving rise to a reversion that is subject to the excise tax.

The legislative history indicates that no inference is intended with respect to the validity of any 10-or-more employer arrangement under the provisions of present law.

Effective date.—The Senate amendment is effective with respect to contributions paid or accrued on or after June 9, 1999, in taxable years ending after such date.

Conference agreement

No provision.

[4] For purposes of the provision, medical benefits, disability benefits, and qualifying group-term life insurance benefits include de minimis ancillary benefits as described above.

E. Treatment of Gain From Constructive Ownership Transactions

(SEC. 503 OF THE SENATE AMENDMENT AND SEC. 1260 OF THE CODE)

Present law

The maximum individual income tax rate on ordinary income and short-term capital gain is 39.6 percent, while the maximum individual income tax rate on long-term capital gain generally is 20 percent. Long-term capital gain means gain from the sale or exchange of a capital asset held more than one year. For this purpose, gain from the termination of a right with respect to property which would be a capital asset in the hands of the taxpayer is treated as capital gain.[5]

A pass-thru entity (such as a partnership) generally is not subject to Federal income tax. Rather, each owner includes its share of a pass-thru entity's income, gain, loss, deduction or credit in its taxable income. Generally, the character of the item is determined at the entity level and flows through to the owners.

Investors may enter into forward contracts, notional principal contracts, and other similar arrangements with respect to property that provides the investor with the same or similar economic benefits as owning the property directly but with potentially different tax consequences as to the character and timing of any gain. The Ticket to Work and Work Incentives Improvement Act of 1999 limits the amount of long-term capital gain a taxpayer can recognize from certain ''constructive ownership transactions;'' any excess gain is treated as ordinary income.

House bill

No provision.

Senate amendment

The Senate amendment provision limits the amount of long-term capital gain a taxpayer can recognize from certain constructive ownership transactions with respect to certain financial assets. This provision was enacted in the Ticket to Work and Work Incentives Improvement Act of 1999.

Conference agreement

No provision. However, the provision was enacted in the Ticket to Work and Work Incentives Improvement Act of 1999.

F. Require Consistent Treatment and Provide Basis Allocation Rules for Transfer of Intangibles in Certain Nonrecognition Transactions

(SEC. 505 OF THE SENATE AMENDMENT AND SECS. 351 AND 721 OF THE CODE)

Present law

Generally, no gain or loss is recognized if one or more persons transfer property to a corporation solely in exchange for stock in the corporation and, immediately after the exchange such person or persons are in control of the corporation. Similarly, no gain or loss is recognized in the case of a contribution of property in exchange for a partnership interest. Neither the Internal Revenue Code nor the regulations provide the meaning of the requirement that a person ''transfer property'' in exchange for stock (or a partnership interest). The Internal Revenue Service interprets the requirement consistent with the ''sale or other disposition of property'' language in the context of a taxable disposition of property. See, e.g., Rev. Rul. 69–156, 1969–1 C.B. 101. Thus, a transfer of less than ''all substantial rights'' to use property will not qualify as a tax-free exchange and stock received will be treated as payments for the use of property rather than

[5] Section 1234A, as amended by the Taxpayer Relief Act of 1997.

for the property itself. These amounts are characterized as ordinary income. However, the Claims Court has rejected the Service's position and held that the transfer of a nonexclusive license to use a patent (or any transfer of ''something of value'') could be a ''transfer'' of ''property'' for purposes of the nonrecognition provision. See *E.I. DuPont de Nemours & Co.* v. *U.S.*, 471 F.2d 1211 (Ct. Cl. 1973).

House bill

No provision.

Senate amendment

The Senate amendment treats a transfer of an interest in intangible property constituting less than all of the substantial rights of the transferor in the property as a transfer of property for purposes of the nonrecognition provisions regarding transfers of property to controlled corporations and partnerships. In the case of a transfer of less than all of the substantial rights, the transferor is required to allocate the basis of the intangible between the retained rights and the transferred rights based upon their respective fair market values.

No inference is intended as to the treatment of these or similar transactions prior to the effective date.

Effective date.—The provision is effective for transfers on or after the date of enactment.

Conference agreement

No provision.

G. Increase Elective Withholding Rate for Nonperiodic Distributions From Deferred Compensation Plans

(SEC. 506 OF THE SENATE AMENDMENT AND SEC. 3405 OF THE CODE)

Present law

Present law provides that income tax withholding is required on designated distributions from employer deferred compensation plans (whether or not such plans are tax qualified), individual retirement arrangements (''IRAs''), and commercial annuities unless the payee elects not to have withholding apply. A designated distribution does not include any payment (1) that is wages, (2) the portion of which it is reasonable to believe is not includible in gross income, (3) that is subject to withholding of tax on nonresident aliens and foreign corporations (or would be subject to such withholding but for a tax treaty), or (4) that is a dividend paid on certain employer securities (as defined in sec. 404(k)(2)).

Tax is generally withheld on the taxable portion of any periodic payment as if the payment is wages to the payee. A periodic payment is a designated distribution that is an annuity or similar periodic payment.

In the case of a nonperiodic distribution, tax generally is withheld at a flat 10-percent rate unless the payee makes an election not to have withholding apply. A nonperiodic distribution is any distribution that is not a periodic distribution. Under current administrative rules, an individual receiving an nonperiodic distribution can designate an amount to be withheld in addition to the 10-percent otherwise required to be withheld.

Under present law, in the case of a nonperiodic distribution that is an eligible rollover distribution, tax is withheld at a 20-percent rate unless the payee elects to have the distribution rolled directly over to an eligible retirement plan (i.e., an IRA, a qualified plan (sec. 401(a)) that is a defined contribution plan permitting direct deposits of rollover contributions, or a qualified annuity plan (sec. 403(a)). In general, an eligible rollover distribution includes any distribution to an employee of all or any portion of the balance to the credit of the employee in a qualified plan or qualified annuity plan. An eligible rollover distribution does not include any distribution that is part of a series of substantially equal periodic payments made (1) for the life (or life expectancy) of the employee or for the joint lives (or joint life expectancies) of the employee and the employee's designated beneficiary, or (2) over a specified period of 10 years or more. An eligible rollover distribution also does not include any distribution required under the minimum distribution rules of section 401(a)(9), hardship distributions from section 401(k) plans, or the portion of a distribution that is not includible in income. The payee of an eligible rollover distribution can only elect not to have withholding apply by making the direct rollover election.

House bill

H. Provisions Relating to Real Estate Investment Trusts (''REITS'')

(SECS. 610–622 OF THE SENATE AMENDMENT AND SECS. 852, 856, AND 857 OF THE CODE)

Present law

In general, a real estate investment trust (''REIT'') is an entity that receives most of its income from passive real estate related investments and that receives pass-through treatment for income that is distributed to shareholders. If an electing entity meets the qualifications for REIT status, the portion of its income that is distributed to the investors each year generally is taxed to the investors without being subjected to tax at the REIT level.

A REIT must satisfy a number of tests on a year-by-year basis that relate to the entity's: (1) organizational structure; (2) source of income; (3) nature of assets; and (4) distribution of income.

Under the organizational structure test, except for the first taxable year for which an entity elects to be a REIT, the beneficial ownership of the entity must be held by 100 or more persons. Generally, no more than 50 percent of the value of the REIT's stock can be owned by five or fewer individuals during the last half of the taxable year. Certain attribution rules apply in making this determination. No similar rule applies to corporate ownership of a REIT.

House bill

No provision.

Senate amendment

The Senate amendment contains a number of provisions relating to REITS. These include a provision generally limiting the level of investment a REIT can have in another entity to 10 percent of value (or vote), except in the case of taxable REIT subsidiaries, for which specific rules are provided. The provisions also permit REITs to own and operate health care facilities under certain circumstances, modify the definition of independent contractor and of real estate rental income, modify the earnings and profits rules for REITs and for regulated investment companies (''RICS''), and modify the estimated tax rules for investors in certain closely held REITs.

The Senate amendment also imposes an additional requirement for REIT qualification that makes certain controlled entities ineligible for REIT status and imposes a number of related rules. Under that provision, except for the first taxable year for which an entity elects to be a REIT, no one person can own stock of a REIT possessing 50 percent or more of the combined voting power of all classes of voting stock or 50 percent or more of the total value of shares of all classes of stock of the REIT. For purposes of determining a person's stock ownership, rules similar to attribution rules for REIT qualification under present law apply (secs. 856(d)(5) and 856(h)(3)). the provision does not apply to ownership by a REIT of 50 percent or more of the stock (vote or value) of another REIT.

An exception applies for a limited period to certain ''incubator REIT''. An incubator REIT is a corporation that elects to be treated as an incubator REIT and that meets all the following other requirements. (1) it has only voting common stock outstanding, (2) not more than 50 percent of the corporation's real estate assets consist of mortgages, (3) from not later than the beginning of the last half of the second taxable year, at least 10 percent of the corporation's capital is provided by lenders or equity investors who are unrelated to the corporation's largest shareholder, (4), the corporation must annually increase the value of real estate assets by at least 10 percent, (5) the directors of the corporation must adopt a resolution setting forth an intent to engage in a going public transaction, and (6) no predecessor entity (including any entity from which the electing incubator REIT acquired assets in a transaction in which gain or loss was not recognized in whole or in part) had elected incubator REIT status.

The new ownership requirement does not apply to an electing incubator REIT until the end of the REIT's third taxable year; and can be extended for an additional two taxable years if the REIT so elects. However, a REIT cannot elect the additional two-year extension unless the REIT agrees that if it does not engage in a going public transaction by the end of the extended eligibility period, it shall pay Federal income taxes for the two years of the extended period as if it had not made an incubator REIT election and had ceased to qualify as a REIT for those two taxable years. In such case, the corporation shall file appropriate amended returns within 3 months of the close of the extended eligibility period. Interest would be payable, but no substantial underpayment penalties would apply except in cases where there is a finding that incubator REIT status was elected for a principal purpose other than as part of a reasonable plan to engage in a going public transaction. Notification of shareholders and any other person whose tax position would reasonably be expected to be affected is also required.

If an electing incubator REIT does not elect to extend its initial 2-year extended eligibility period and has not engaged in a going public transaction by the end of such period, it must satisfy the new control requirements as of the beginning of its fourth taxable year (i.e., immediately after the close of the last taxable year of the two-year initial extension period) or it will be required to notify its shareholderss and other persons that may be affected by its tax status, and pay Federal income tax as a corporation that has ceased to qualify as a REIT at that time.

If the Secretary of the Treasury determines that an incubator REIT election was filed for a principal purpose other than as part of a reasonable plan to undertake a going public transaction, an excise tax of $20,000 is imposed on each of the corporation's directors for each taxable year for which the election was in effect.

For purposes of determining whether a corporation has met the requirement that it annually increase the value of its real estate assets by 10 percent, the following rules shall apply. First, values shall be based on cost and properly capitalizable expenditures with no adjustment for depreciation. Second, the test shall be applied by comparing the value of assets at the end of the first taxable year with those at the end of the second taxable year and by similar successive taxable year comparisons during the eligibility period.

Third, if a corporation fails the 10 percent comparison tests for one taxable year, it may remedy the failure by increasing the value of real estate assets by 25 percent in the following taxable year, provided it meets all the other eligibility period requirements in that following taxable year.

A going public transaction is defined as either (1) a public offering of shares of stock of the incubator REIT, (2) a transaction, or series of transactions, that result in the incubator REIT stock being regularly traded on an established securities market (as defined in section 897) and being held by shareholders unrelated to persons who held such stock before it began to be so regularly traded, or (3) any transaction resulting in ownership of the REIT by 200 or more persons (excluding the largest single shareholder) who in the aggregate own least 50 percent of the stock of the REIT. Attribution rules apply in determining ownership of stock.

Effective date.—Under the Senate amendment, the provision denying REIT status to certain controlled entities is effective for taxable years ending after July 14, 1999. Any entity that elects (or has elected) REIT status for a taxable year including July 14, 1999, and which is both a controlled entity and has significant business assets or activities on such date, will not be subject to the proposal. Under this rule, a controlled entity with significant business assets or activities on July 14, 1999, can be grandfathered even if it makes its first REIT election after that date with its return for the taxable year including that date.

For purposes of the transition rules, the significant business assets or activities in place on July 14, 1999, must be real estate assets and activities of a type that would be qualified real estate assets and would produce qualified real estate related income for a REIT.

Conference agreement

No provision. However, the Senate amendment provisions, except for the provision what would have denied REIT status to certain controlled entities, were enacted in the ticket to Work and Work Incentives Improvement Act of 1999.

I. Modification of Individual Estimated Tax Safe Harbor

(SEC. 623 OF THE SENATE AMENDMENT AND SEC. 6654 OF THE CODE)

Present law

Under present law, an individual taxpayer generally is subject to an addition to tax for any underpayment of estimated tax. An individual generally does not have an underpayment of estimated tax if he or she makes timely estimated tax payments at least equal to: (1) 90 percent of the tax shown on the current year's return of (2) 100 percent of the prior year's tax. For taxpayers with a prior year's AGI above $195,000,[6] however the rule that allows payment of 100 percent of prior year's tax is modified. Those taxpayers with AGI above $150,000 generally must make estimated payments based on either (1) 90 percent of the tax shown on the current year's return or (2) 110 percent of the prior year's tax.

For taxpayers with a prior year's AGI above $150,000, the prior year's tax safe harbor is modified for estimated tax payments made for taxable years 2000 and 2002. For such taxpayers making estimated tax payments based on prior year's tax payments must be made based on 108.6 percent of prior year's tax for taxable year 2000[7] and 112 percent of prior year's tax for taxable year 2002.

House bill

No provision.

Senate amendment

The Senate amendment further modifies the safe harbor rule by providing that taxpayers with prior year's AGI above $150,000 who make estimated tax payments based on prior year's tax must do so based on 106.5 percent of prior year's tax for estimated tax payments made for taxable year 2000. Taxpayers with prior year's AGI above $150,000 who made estimated tax payments based on prior year's tax must do so based on 106 percent of prior year's tax for estimated tax payments made for taxable year 2001. All other years remain as under present law.

Effective date.—The provision is effective for estimated payments made for taxable year beginning after December 31, 1999.

Conference agreement

No provision.

J. Provide Waiver From Denial of Foreign Tax Credits

(SEC. 724 OF THE SENATE AMENDMENT AND SEC. 901(J) OF THE CODE)

Present law

In general, U.S. persons may credit foreign taxes against U.S. tax on foreign-source income. The amount of foreign tax credits that can be claimed in a year is subject to a limitation that prevents taxpayers from using foreign tax credits to offset U.S. tax on U.S.-source income. Separate limitations are applied to specific categories of income.

Pursuant to special rules applicable to taxes paid to certain foreign countries, no foreign tax credit is allowed for income, war profits, or excess profits taxed paid, accrued, or deemed paid to a country which satisfies specified criteria, to the extent that the taxes are with respect to income attributable to a period during which such criteria were satisfied (sec. 901(j)). Section 901(j) applies with respect to any foreign country: (1) the government of which the United States does not recognize, unless such government is otherwise eligible to purchase defense articles or services under the Arms Export Control Act, (2) with respect to which the United States has severed diplomatic relations, (3) with respect to which the United States has not severed diplomatic relations but does not conduct such relations, or (4) which the Secretary of State has, pursuant to section 6(j) of the Export Administration Act of 1979, as amended, designated as a foreign country which repeatedly provides support for acts of international terrorisms (a ''section 901(j) foreign country''). The denial of credits applies to any foreign country during the period beginning on the later of January 1, 1987, or six months after such country becomes a section 901(j) country, and ending on the date the Secretary of State certifies to the Secretary of the Treasury that such country is no longer a section 901(j) country.

Taxes treated as noncreditable under section 901(j) generally are permitted to be deducted notwithstanding the fact that the taxpayer elects use of the foreign tax credit for the taxable year with respect to other taxes. In addition, income for which foreign tax credits are denied generally cannot be sheltered from U.S. tax by other creditable foreign taxes.

Under the rules of subpart F, U.S. 10-percent shareholders of a controlled foreign corporation (''CFC'') are required to include in income currently certain types of income of the CFC, whether or not such income is actually distributed currently to the shareholders (referred to as ''subpart F income''). Subpart F income includes income derived from any foreign country during a period in which the taxes imposed by that country are denied eligibility for the foreign tax credit under section 901(j).[8]

House bill

No provision.

Senate amendment

The Senate amendment provides that section 901(j) no longer applies with respect to a foreign country if: (1) the President determines that a waiver of the application of section 901(j) to such foreign country is in the national interest of the United States and will expand trade opportunities for U.S. companies in such foreign country, and (2) the President reports to the Congress, not less than 30 days before the waiver is granted, the intention to grant such a waiver and the reason for such waiver.

Effective date.—The provision is effective on or after February 1, 2001.

Conference agreement

The conference agreement follows the Senate amendment.

K. Accelerate Rum Excise Tax Coverover Payments to Puerto Rico and the U.S. Virgin Islands

(SEC. 221 OF THE SENATE AMENDMENT AND SEC. 7652 OF THE CODE)

Present law

A $13.50 per proof gallon[9] excise tax is imposed on distilled spirits produced in or imported (or brought) into the United States. The excise tax does not apply to distilled spirits that are exported from the United States or to distilled spirits that are consumed in U.S. possessions (e.g., Puerto Rico and the Virgin Islands).

The Code provides for coverover (payment) of $13.25 per proof gallon of the excise tax imposed on rum imported (or brought) into the United States (without regard to the country of origin) to Puerto Rico and the Virgin Islands during the period July 1, 1999 through December 31, 2001. Effective on January 1, 2002, the coverover rate is scheduled to return to its permanent level of $10.50 per proof gallon. The maximum amount attributable to the increased coverover rate over the permanent rate of $10.50 per proof gallon that can be paid to Puerto Rico and the Virgin Islands before October 1, 2000 is $20 million. Payment of this amount was made on January 3, 2000.[10] any remaining amounts attributable to the increased coverover rate are to be paid on October 1, 2000.

Amounts covered over to Puerto Rico and the Virgin Islands are deposited into the treasuries of the two possessions for use as those possessions determine.

House bill

No provision, but H.R. 984, as reported by the Committee on Ways and Means, would have provided an increase in the coverover amount to $13.50 per proof gallon for the period June 30, 1999, and before October 1, 1999. (The conference report on the Ticket to Work and Work Incentives Improvement Act of 1999 (Pub. L. No. 106–170, December 17, 1999) subsequently increased the coverover rate from $10.50 per proof gallon to $13.25 per proof gallon, and enacted the $20 million limit on transfer of the increased amount before October 1, 2000. The conference report

[6] The threshold is $75,000 for married taxpayers filing separately.

[7] This percentage was enacted in sec. 531 of P.L. 106–170, the Ticket to Work and Work Incentives Improvement Act of 1999 (December 17, 1999).

[8] Sec. 952(a)(5).

[9] A proof gallon is a liquid gallon consisting of 50 percent alcohol.

[10] The Department of the Interior, which administers the coverover payments for rum imported into the United States from the U.S. Virgin Islands, erroneously authorized full payment to the Virgin Islands of the increased coverover rate on that rum notwithstanding the statutory limit on these transfers for periods before October 1, 2000. The Bureau of Alcohol, Tobacco, and Firearms, which administers the coverover payments for the Virgin Islands' portion of tax collected on rum imported from other countries, complied with the statutory limit.

further indicated that the special payment rule would be reviewed during consideration of H.R. 434.)

Senate amendment

The Senate amendment is the same as the Ways and Means Committee-reported provisions of H.R. 984.

Conference agreement

The conference agreement provides that unpaid amounts attributable to the increase in the coverover rate to $13.25 per proof gallon for the period from July 1, 1999 through the last day of the month prior to the date of enactment will be paid on the first monthly payment date following the date of enactment.[11] With respect to amounts attributable to the period beginning with the month of the conference agreement's enactment, payments will be based on the full $13.25 per proof gallon rate.

The conference agreement further includes two clarifications to the rules governing coverover payments. First, clarification is provided that payments to the Virgin Islands with respect to rum imported from that possession are to be made annually in advance (based on estimates) as is the current administrative practice. Second, the conference agreement clarifies that the Internal Revenue Code provisions governing coverover payments are the exclusive authorize authority for making those payments.

Effective date.—The provision is effective on the date of enactment.

TRADE PROVISIONS NOT INCLUDED IN EITHER THE HOUSE OR SENATE BILL—ACCESS TO HIV/AIDS PHARMACEUTICALS AND MEDICAL TECHNOLOGIES

Present law

The Special 301 provisions of the Trade Act of 1974 require the President to identify, within 30 days after submission of the annual National Trade Estimates report to Congress, those foreign countries that deny adequate and effective protection of intellectual property rights or fair and equitable market access to U.S. persons that rely upon intellectual property protection, and those countries determined by USTR to be ''priority foreign countries.'' The President is to identify as priority countries only those that have the most onerous or egregious acts, policies, or practices with the greatest adverse impact on the relevant U.S. products, and that are not entering into good faith negotiations or making significant progress in bilateral or multilateral negotiations to provide adequate and effective intellectual property rights protection.

House bill

No provision.

Senate amendment

Section 116 of the Senate bill seeks to address the issue of access to HIV/AIDS pharmaceuticals and medical technologies in the beneficiary countries of sub-Saharan Africa. In subsection (a), Congress finds that since the onset of the worldwide HIV/AIDS epidemic, approximately 34,000,000 people living in sub-Saharan Africa have been infected with the disease. Of those infected, approximately 11,500,000 have died, representing 83 percent of the total HIV/AIDS-related deaths worldwide. Subsection (b) expresses the sense of Congress that:

It is in the interest of the United States to take all necessary steps to prevent further spread of infectious disease, particularly HIV/AIDS;

There is critical need for effective incentives to develop new pharmaceuticals, vaccines, and therapies to combat the HIV/AIDS crisis, especially effective global standards for protecting pharmaceutical and medical innovation;

The overriding priority for responding to the crisis on HIV/AIDS in sub-Saharan Africa should be the development of the infrastructure necessary to deliver adequate health care services, and of public education to prevent transmission and infection, rather than legal standards issues;

Individual countries should have the ability to determine the availability of pharmaceuticals and health care for their citizens in general, and particularly with respect to the HIV/AIDS epidemic.

Subsection (c) prohibits the Administration from seeking, through negotiation or otherwise, the revocation or revision of any intellectual property or competition law or policy that regulates HIV/AIDS pharmaceuticals or medical technologies of a beneficiary sub-Saharan African country if the law or policy promotes access to HIV/AIDS pharmaceuticals or medical technologies and the law or policy of the country provides adequate and effective intellectual property protection consistent with the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act.

Conference agreement

The Senate recedes to the House.

TRADE ADJUSTMENT ASSISTANCE

Present law

Title II of the Trade Act of 1974, as amended, authorizes three trade adjustment assistance (TAA) programs for the purpose of providing assistance to individual workers and firms that are adversely affected by import competition. Those programs are: (1) the general TAA program for workers, which provides training and income support for workers adversely affected by import competition; (2) the TAA program for firms, which provides technical assistance to qualifying firms; and (3) the North American Free Trade Agreement (NAFTA) Transitional Adjustment Assistance (NAFTA–TAA) program for workers (established by the North American Free Trade Agreement Implementation Act of 1993), which provides training and income support for workers adversely affected by imports from or production shifts to Canada and/or Mexico.

The authorizations for all three programs expire on September 30, 2001. At the time of the passage of the Senate bill, the authorization for these programs had expired on June 30, 1999.

House bill

No provision.

Senate amendment

Section 401 of the Senate bill reauthorizes each of the three TAA programs through September 30, 2001. It also caps the amount of money appropriated for any fiscal year from October 1, 1998 to September 30, 2001 at $30,000,000.

Section 402 of the Senate bill requires the Secretary of Labor to certify as eligible for benefits under the general TAA program workers in textile and apparel firms who lose their jobs as a result of either (1) a decrease in the firm's sales or production; or (2) a firm's plant or facility closure or relocation.

Conference agreement

The Senate recedes to the House.

TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Present law

Title II of the Trade Act of 1974, as amended, authorizes three trade adjustment assistance (TAA) programs for the purpose of providing assistance to individual workers and firms that are adversely affected by import competition. Those programs are: the general TAA program for workers, which provides training and income support for workers adversely affected by import competition; the TAA program for firms, which provides technical assistance to qualifying firms; and the North American Free Trade Agreement Act (NAFTA) transitional adjustment assistance program which provides training and income support for workers who may be adversely impacted by imports from or production shifts to Canada and/or Mexico.

House bill

No provision.

Senate amendment

The Trade Adjustment Assistance for Farmers provision would create a new TAA program for farmers as Chapter 6 of title II of the Trade Act of 1974. Under this new program, farmers would be eligible for cash assistance when commodity prices drop by more than 20 percent below the average for the previous five year period and imports contributed importantly to this price drop. When a commodity meets these criteria, individual farmers would be eligible to receive cash assistance equal to half the difference between the actual national average price for the year and 80 percent of the average price in the previous five years (the price trigger level), provided that the farmer's income had declined from the previous year. This assistance was capped at $10,000 per farmer. The program is authorized at $100 million annually and is to be administered by the Department of Agriculture.

REPORT ON DEBT RELIEF

Present law

No provision.

House bill

No provision.

Senate amendment

Section 705 of the Senate amendment requires the President to submit a report to Congress on the President's recommendations for: bilateral debt relief for sub-Saharan African countries; new loan, credit and guarantee programs for these countries; and the President's assessment of how debt relief will affect the ability of each country to participate fully in the international trading system.

Conference agreement

The Senate recedes to the House. Section 714 of the Senate bill, expressing Congress' support for comprehensive debt relief for the world's poorest countries, is included in Title I of the conference agreement.

SENSE OF SENATE REGARDING FAIR ACCESS TO JAPANESE TELECOMMUNICATIONS FACILITIES AND SERVICES

Present law

No provision.

House bill

No provision.

Senate amendment

Section 709 of the Senate amendment expresses the Sense of the Senate that the Administration should pursue efforts to open the Japanese telecommunications market, particularly to internet services. This provision notes that despite several bilateral agreements with Japan regarding its telecommunications market, the Senate remains concerned about Japan's excessive regulation and anti-competitive activity in the telecommunications sector. The provision urges the Administration to continue to pursue aggressively further market opening

[11] Thus, this provision of the conference agreement applies only to payments to Puerto Rico and to payments of the Virgin Islands' portion of tax on rum imported from other countries because the Interior Department erroneously has already paid in full amounts attributable to rum imported from the Virgin Islands.

with Japan as part of the multilateral negotiations that were to be launched at the WTO Ministerial in Seattle (November 30-December 3).

Conference agreement

The Senate recedes to the House.

REPORT ON WTO MINISTERIAL

Present law

No provision.

House bill

No provision.

Senate amendment

Section 709 of the Senate amendment expresses the Sense of Congress on the importance of the new round of international trade negotiations that was to be launched at the World Trade Organization (WTO) Ministerial Conference in Seattle, Washington from November 30 to December 3, 1999. Subsection (b) requires that the United States Trade Representative shall submit a report to Congress regarding any discussions on the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the Antidumping Agreement) and the Agreement on Subsidies and Countervailing Measures during the Seattle Ministerial Conference.

Conference agreement

The Senate recedes to the House.

MARKING OF IMPORTED JEWELRY

Present law

Section 304 of the Tariff Act of 1930 (19 U.S.C. §1304) requires that all articles of foreign origin imported into the United States ''shall be marked in a conspicuous place as legibly, indelibly and permanently as the nature of the article (or container) will permit a manner to indicate to the ultimate purchaser in the United States the English name of the country of origin of the article.'' The provision authorizes several exceptions to this standard including where ''such article is incapable of being marked'' and ''such article cannot be marked prior to shipment to the United States, except at an expense economically prohibitive of its importation.'' 19 U.S.C. §1304(3)(A), (C). Part 134, Customs Regulations (19 C.F.R. part 134), implements the country of origin marking requirements and exceptions of 19 U.S.C. 1304.

The Customs Service has not implemented any specific regulation with respect to costume jewelry. In practice, however, the Customs Service has interpreted the statute and its exceptions to permit articles of costume jewelry to be marked with a hang tag, applied tag, or similar labeling where the article is incapable of being marked in a more permanent manner or where it is economically prohibitive to indelibly mark the article.

House bill

No provision.

Senate amendment

Section 720 of the Senate bill directs the U.S. Department of Treasury to implement regulations, consistent with the existing statutory framework, with respect to the marking of costume jewelry of foreign origin within one year of the date of enactment of this bill. These regulations are intended to clarify the existing statutory standard and are to be modeled after the Customs Service's regulation with respect to Native American jewelry, codified in 19 C.F.R. §134.43(c).

The U.S. jewelry industry continues to report, however, that hang tags and labels on imported costume jewelry that are in place upon entry into the United States often disappear or are removed prior to the jewelry's display or sale. When country-of-origin markings do not appear on imported jewelry or other items offered to the consumer, it constitutes a violation of federal marking law and prevents purchasers from being informed about the origin of such products.

Conference agreement

The Senate recedes to the House.

UNREASONABLE ACTS, POLICIES AND PRACTICES.

Present law

Sections 301–310 of the Trade Act of 1974 provides authority to the United States Trade Representative to enforce U.S. rights under international trade agreements. Section 301(a) authorizes the Trade Representative to take action to enforce such rights if the Trade Representative determines that an act, policy, or practice of a foreign country is unreasonable or discriminatory and burdens or restricts United States commerce. Section 301(d)(3)(B)(i) defines unreasonable acts, policies, and practices to include acts which deny fair and equitable market opportunities, including the toleration by a foreign government of systematic anticompetitive activities by enterprises in the foreign country that have the effect of restricting access of U.S. goods or services in that foreign market or a third country market.

House bill

No provision.

Senate amendment

Section 725 of the Senate amendment adds language to section 301(d)(3)(B)(i) to define unreasonable acts, policies, and practices which deny fair and equitable market opportunities as including predatory pricing, discriminatory pricing, or pricing below the cost of production if such acts, policies or practices are inconsistent with commercial practices. This provision also deletes the existing reference to systematic anticompetitive activities.

Conference agreement

The House recedes to the Senate.

From the Committee on International Relations, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BENJAMIN A. GILMAN,
EDWARD R. ROYCE,
SAM GEJDENSON,

From the Committee on Ways and Means, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

BILL ARCHER,
PHIL CRANE,
CHARLES B. RANGEL,

As additional conferees, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

AMO HOUGHTON,
JOE HOEFFEL,

Managers on the Part of the House.

W.V. ROTH, Jr.,
CHUCK GRASSLEY,
TRENT LOTT,
DANIEL P. MOYNIHAN,
MAX BAUCUS,
JOE BIDEN,

Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 434 AVAILABLE ON INTERNET

(Mr. ROYCE asked and was given permission to address the House for 1 minute.)

Mr. ROYCE. Mr. Speaker, I want to bring to the attention of the House that the conference report just filed for the Trade and Development Act of 2000, which contains the provisions of the Africa CBI legislation, is now available on the Internet at www.waysandmeans.com.

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DEBATE ABOUT CHINA IS NATIONAL SECURITY, NOT TRADE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, China is methodically developing a powerful military presence. China is building and buying missiles, tanks, aircrafts, and submarines. What China has not built, China has stolen from Uncle Sam, no less. To boot, China is doing all of this with our money. Beam me up.

The debate about China is not about trade, Mr. Speaker, it is about national security. I honestly believe our national security has been compromised by turning the Lincoln Bedroom into the Red Roof Inn. Think about that statement.

I yield back over 90 witnesses who took the Fifth Amendment when questioned about Chinese bribe money.

DEPARTMENT OF EDUCATION'S GROSS MISMANAGEMENT OF MONEY NO LONGER TOLERATED

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, earlier this year, the Department of Education notified 39 very fortunate students they had won the prestigious Jacob Javits Fellowship Award, a rather high honor for these students. But, unfortunately, a few days later, the Department called these very same students back to say, ''Whoops, sorry, we were wrong. You actually did not win this award.''

Well, not surprisingly, Mr. Speaker, this will cost the American taxpayers nearly $4 million since, by law, the Department of Education now must provide these students with the promised scholarships even if awarded in error.

This mistake is not the first and probably will not be the last costly mistake for the Department of Education. Such mistakes simply highlight the agency's lack of responsibility in managing the Federal dollars appropriated for our children's education.

Gross mismanagement of the American taxpayer dollars can no longer be tolerated.

I yield back the failing and obvious delinquency of the Department of Education.

EDUCATION

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SCHAKOWSKY. Mr. Speaker, last September, I toured Daniel Boone School in Chicago to see firsthand its overcrowded conditions. Boone School has an enrollment of 1,100 students, 300 more than the school can reasonably accommodate.

Classes were being held in hallways, and students were learning in makeshift classrooms like the teachers' lounge and cafeteria. Three different classes were being taught in the same room at the same time.

Last week, I returned to Boone School; and I am sad to report that nothing has changed. Classes are still being held in hallways and teachers' lounges. But what moved me most was the seventh grade girl who stood up and looked me in the eye and said, ''You came last September, how come nothing is changed; and when will we see improvements in our school.'' That is a legitimate and tough question.

Boone School, however, is not alone. Eighty-nine percent of Illinois schools are in need of repair, rebuilding, or upgrade. How can we expect to deliver the best quality education to our students when they are learning about gravity from falling ceiling tiles. It is just unacceptable to send our children to 19th century schools when we go into the 21st century.

Yesterday, a study released by the NEA shows that it costs $322 billion to repair and modernize American schools. I urge my colleagues to support H.R. 4094, America's Better Classroom Act of 2000.

BREAST AND CERVICAL CANCER TREATMENT ACT

(Mr. OSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OSE. Mr. Speaker, I want to thank the leadership for agreeing to bring the Breast and Cervical Cancer Treatment Act to the House floor before Mother's Day. This legislation is vital to provide treatment for low-income, uninsured working women who are diagnosed with breast or cervical cancer. Giving States the option to provide Medicaid coverage for these women if they are found to have cancer through the Center for Disease Control's early detection program will help save thousands of lives.

The program currently provides screening for breast cancer, but it does not provide funding for treatment options for these women. The harsh reality is they will die because they have no options. This must change.

The funding for H.R. 1070 was included in the budget resolution and has overwhelming support from my friends on both sides of the aisle with nearly 300 cosponsors.

Again, I want to thank the leadership for bringing this critical piece of legislation to the House floor before Mother's Day.

INTERNATIONAL CHILD ABDUCTION

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Mr. Speaker, I rise today to address the House and talk about an intolerable situation, that is, the abduction of 10,000 American children to foreign countries. I am asking my colleagues to focus on these children and to help pass legislation that will bring them home. Today I will tell the story of an American parent, Kenneth Roche, to illustrate the problem.

In 1991, a U.S. court granted Kenneth a divorce from his German wife, and granted both parents joint legal custody, with physical custody going to the mother and generous access rights for Kenneth. The court also ordered that the child must not be removed from Massachusetts unless authorized by the court.

In 1993, Kenneth's ex-wife took the child to Germany, and the United States issued an arrest warrant, granted him temporary custody, and ordered the immediate return of the child. Both a lower court and a higher court in Germany has ordered the return of the child, but the mother has refused to comply and the courts refused to enforce their own orders.

Kenneth Roche has not seen his child since 1993 and does not know where he is. Mr. Speaker, American parents and children should not be separated like this. The effects on both are painful and devastating. I ask this House to join me and help bring our children home.

HAPPY 50TH ANNIVERSARY TO JACK AND NORMA QUINN

(Mr. QUINN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUINN. Mr. Speaker, I rise this morning to take a personal prerogative of the House and ask the indulgence of my colleagues. I want to join other Quinn clan members from Buffalo and Hamburg and Blasdell, New York in honoring and wishing my parents, Jack and Norma Quinn, happy 50th anniversary this Saturday, May 6.

I have to be clear that I represent only five sons, five great daughter-in-laws, 13 grandchildren, and one great granddaughter, but I have a chance to do it here that they might not have. We offer congratulations of course and thanks.

Mr. Speaker, if I could quote the Chaplain this morning who said, ''that we are a reflection of Your love in this world.'' I think I would want our parents to know that we, too, are a reflection of their love in this world.

We congratulate them on 50 years of wedded bliss and thank them for all the sacrifices they made for us.

CONGRESS MUST PASS SCHOOL CONSTRUCTION

(Mr. ETHERIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I would also like to acknowledge and congratulate the Quinns.

Mr. Speaker, I rise today on behalf of the more than 53 million children across this country that right now are attending school in our Nation's classrooms. That is more students than at the height of the Baby Boom and there will be more next year.

Unfortunately, too many of our children are stuffed into trailers, closets, cramped bathrooms, overcrowded and substandard facilities. Our schools are literally bursting at the seams.

For more than 2 years, I tried to pass my school construction bill to provide tax credits to help local communities build quality schools for our children. But the Republican leadership has refused to allow this essential legislation to pass. The same Republican leadership that has tried to eliminate the Department of Education, slash school lunches, refuses to pass this modest bill to build just a few schools for our children.

This same leadership has constantly pushed private school vouchers, block grants, and even antipublic school bills that have suffered from time to time.

Fortunately, Mr. Speaker, a bipartisan group of Members have come together to support a common sense compromise to school construction legislation. The Johnson-Rangel bill will pay the interest on about $24.8 billion worth of school construction bonds across this country. I urge my colleagues to support it.

EDUCATION HAS ALWAYS BEEN A STATE AND LOCAL PRIORITY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute.)

Mr. KINGSTON. Mr. Speaker, I wanted to talk about education a little bit, because if one looks at the record on education, Republican versus Democrat leadership, it is not even close.

Republicans have put far more resources into education, far more flexibility for local teachers, far more money into the special Individuals with Disability Education Act, far more money into school lunch program.

I hope that some of these Democrats will actually read the bill. They will see if they want to measure their money. They have lost.

Now, this proposal to construct new schools is great if one is in Chicago or New York City where one has not kept up with one's education or here in Washington, D.C. where one's roofs are leaking. Do my colleagues know why? Because the cities and States have not made the investment into education.

Why should my South Georgia school districts be penalized? They have raised taxes locally. They have done the right thing. They have been responsible. They built new school systems. Why should they be penalized to subsidize Chicago and New York City school systems. It is ridiculous.

Education has always been a State and local priority. We do not need to federalize it and have Uncle Sam in the Department of Education knowing best.

EDUCATION

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, this education problem is not only a big city problem in spite of the comments of the previous speaker. Yesterday, the National Education Association estimated the country's construction needs at over $300 billion. This includes basic necessities, a desk in a classroom rather than in a broom closet, plumbing that works, computers capable of reaching the Internet.

My State, the State of Ohio, rural, urban, suburban, is home to one of the greatest needs, ranked 49th in the country for infrastructure, in spite of local effort and State effort. Ohio faces a $25 billion bill to provide children a safe and healthy learning environment.

The State recently committed to spending $10 billion over 26 years to do just that. Unfortunately, that is just not enough. In my district, Elyria High School is over 70 years old and does not qualify for any State funds. The children of Elyria, as are other places across the country, simply cannot wait any longer. If we work together, they will not have to.

I am cosponsor of the America's Better Classroom Act by providing zero-interest bonds, it would leverage local and Federal resources to begin to take care of this national disgrace.

Only a unified front can fix this problems. I urge my colleagues to support it.

TAX FREEDOM DAY

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, Americans love to celebrate landmarks and anniversaries: Christmas day, Independence Day, New Year's Day. But yesterday was one of my personal favorites, Tax Freedom Day. That is the day when hard-working Americans have finally paid their tax burdens and can begin earning for themselves and their families.

This chart illustrates when that day is over the years. I invite Members to use this opportunity to reflect on the problems with our current tax system. First, it is cumbersome. Our Tax Code exceeds 2.8 million words, more than War and Peace and the Bible combined.

It is unfair. It discriminates against married couples, the elderly, even the dead. It is discouraging. It punishes investing and saving and steals profits from healthy businesses and confuses a large majority of Americans trying to decipher its complicated forms.

Today, I encourage my colleagues to support reform and tax reduction measures that will truly provide tax freedom for hard-working Americans.

EDUCATION

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, education must be our Nation's number one priority. Our children are 25 percent of the population, but they are 100 percent of our future. If we act now to strengthen our education system, our children and our country will be prepared for the economic and growth challenges of the future.

The Democrats' Safe and Successful Schools Act of 2000 would give teachers, parents, and students the tools they need for success.

As Democratic legislation proposes, investing in modernizing schools; hiring new, qualified teachers; and providing safe after-school programs for children will, indeed, take us into the new millennium and truly help our children and their future.

Let us not play politics with our children's future. Let us work together to support the Safe Schools Act and show our children that they are our number one priority.

The Republicans have proposed what they would call reforms, but, Mr. Speaker, closing troubled schools, doling out vouchers is not the answer. Investing in our education system is.

PERMANENT NORMAL TRADE RELATIONS TO CHINA

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, later this month, Members of the House will be casting their votes on one of the most important trade issues that we have faced in recent years. I am referring, of course, to extend permanent normal trade relations to China.

The United States and the international community have been working together with China for decades to bring China into the WTO. For the first time in history, the doors of China's economy will be opened up to international commerce and competition.

Congress will be faced with a simple choice then. If Congress passes PNTR, we will allow U.S. companies to freely participate in the nearly $4 billion Chinese economy. However, if we do not pass PNTR, American products and American workers will be denied this opportunity.

Faced with these options, I think the choice is clear. I urge my colleagues to avoid the temptation to give in to the protectionist forces inside our country and instead support free trade and progress in China.

HONORING MERITORIOUS SERVICE OF VIETNAM VETERANS

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, the Vietnam conflict began from 1964 and ended 25 years ago on April 30, 1975. During that time, over 3.4 million U.S. American military personnel served in southeastern Asia.

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Our veterans served in the rice paddies of the Delta, in the jungle of the Central Highlands, on river patrols of the Mekong River, and from air bases in the Pacific. Brave Americans went halfway around the world to help an embattled country and to perform the duty that we asked of them.

Many Vietnam veterans were not sufficiently acknowledged for their service to the country in those contentious times. For some, the war is still not over; some of our veterans have not recovered from their wounds, and families will not forget their loss. The war ended 25 years ago, but the event of those days remain deep in our collective memory.

It is never too late to express our appreciation. Recently, Congress passed House Concurrent Resolution 228 honoring members of the armed forces and Federal civilian employees who served during the Vietnam era. This resolution acknowledges the significance of the fall of South Vietnam and the importance of the events of April 30, 1975, as a benchmark in American history and an indelible memory for those who so honorably served.

I am pleased that Congress has so recognized and commended the meritorious service of our Vietnam veterans. Let there be no doubt that this country does indeed respect, appreciate, and honor the personal commitment and sacrifice of our Vietnam veterans for their service to this Nation.

ELIAN AND RELIGIOUS VALUES

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, for those persons who say that Elian must be returned to his biological father at all cost, I submit these other arguments.

Let us point out that his real father, if he goes back to Cuba, will be Castro. In a Communist state, the government controls the state and controls the lives of the people. Those are the facts.

Returning Elian to Cuba after so long in America will doom him to psychological abuse by the Communist regime.

Ancient religious tradition from the Talmud, back 5,000 years, cites examples that, under Jewish law, a child must honor a person who teaches his moral and religious values above, above, a parent who does not.

Since there are no religious values in Cuba, it follows that Elian could just as well honor his relatives in the United States, here, where they will teach him moral and religious values.

EDUCATION

(Mr. UDALL of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UDALL of Colorado. Mr. Speaker, the time has come for Congress to reauthorize the Elementary and Secondary Education Act. With this act we have the opportunity to make significant progress towards repairing and modernizing schools, reducing class size, and ensuring that our classrooms are healthy and safe learning environments.

Too many schools are stressed by population growth and crumbling infrastructure. Our average school is 42 years old. While money cannot solve problems in all of our schools, I believe matching our talk about the importance of education with an appropriate level of funding would go a long way towards improving classroom resources, reducing class size, and giving kids the space and tools they need to learn well.

Yesterday, the House passed the IDEA Full Funding Act. This bill is an important step towards honoring the commitment that we have made at the Federal level to share an important part of the resources needed at the local level.

Mr. Speaker, time is running short for Congress to complete its work. The stage is set for Congress to make meaningful improvements in the area of class size reduction and school facilities repair and modernization. We should not let this opportunity pass us by. We need to act soon.

HIGH TECH'S QUIET REVOLUTION EMPOWERING CHINA'S CITIZENS

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, the growth of high tech and the openness of the Internet are spreading democratic ideals throughout China, enlightening their people with ideas of freedom and opportunity.

In Nanjing, young Chinese men and women are being exposed to a quiet revolution led by the growth of the Internet. A Times of London article, entitled ''China Embraces Its Last Revolution,'' underscores high tech's role in opening up Chinese society. The article says China's older generation now recognizes that the economic development on which China's future depends requires a new openness to the world, the encouragement of the Internet, entry into the World Trade Organization, and concentration on education and globalization. They know this will change the political and social balance of China.

We can encourage this change. PNTR for China will maintain America's technological leadership in the world and provide high-tech jobs for Americans. It will also provide the Chinese people with access to Western influence and ideas. The open technology of the Internet will force China to open their society to bring about positive economic and social changes.

Mr. Speaker, China PNTR is in the best interest of both the American and the Chinese people.

CARDINAL JOHN O'CONNOR

(Mr. FORBES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORBES. Mr. Speaker, after 16 years as the head of the New York Archdiocese and a life of devotion, faith, and of love for the Catholic Church and all of its parishioners, Cardinal John O'Connor passed on last night. And as we say in the Catholic faith, entered eternal life. He was the voice of all of God's people. He never forgot those in need.

Soon after the Cardinal was ordained, he began an illustrious career in the Navy. Entering the Navy as a chaplain, he rose to the rank of a rear admiral after 27 years of service. He traveled the globe celebrating mass in foxholes and on aircraft carriers, spreading the word of God.

He was a passionate defender of the rights of all workers. In fact, his father was a skilled interior painter and a union man. His father passed these views on to his son. And at a Catholic charities event not too long ago, the cardinal, who was a man of great humor, said jokingly, I told the Pope that there was only two requirements for the guy who replaces me. One is that he be Catholic and the other that he be a union guy. Cardinal O'Connor's working-class roots remained with him throughout his career until the very end.

His relations with people of all faiths were strengthened. He was a champion of the Jewish faith and helped the Vatican as it began to recognize Israel. His lifelong devotion to all those less fortunate and sick will not be forgotten. We will miss him terribly.

RECOGNIZING CINCO DE MAYO AND WELCOMING THE INLAND EMPIRE MARIACHI YOUTH GROUP TO WASHINGTON

(Mr. BACA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BACA. Mr. Speaker, this week is Cinco de Mayo week, a time to celebrate the tremendous courage and bravery of Mexican Americans. I have introduced House Concurrent Resolution 313. This resolution calls for a presidential proclamation to recognize the struggle of Mexican American people as we celebrate this holiday.

The Mexican American people have fought against great odds for their freedom. Cinco de Mayo is indeed a great day to be filled with celebration, symbolism, and remembrance. It is about culture, tradition, heritage, and pride. It marks the victory of the Mexican Army over the French at the Battle of Pueblo. Many of us come from different places, but we share a common bond: we are united and proud Mexican Americans.

I would also like to salute the students from the Inland Empire Mariachi Youth Education Foundation of Southern California, who have been performing this week in our Nation's capital. My daughter, Jennifer Baca, is one of those performing and exposing individuals to this culture, tradition and heritage as we celebrate Cinco de Mayo. It represents a dream come true for many of these students.

This Friday we will remember Cinco de Mayo. It is an important day in the history of Mexico and California.

PROVIDING FOR CONSIDERATION OF H.R. 673, FLORIDA KEYS WATER QUALITY IMPROVEMENTS ACT OF 2000

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 483 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 483

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 673) to authorize the Administrator of the Environmental Protection Agency to make grants to the Florida Keys Aqueduct Authority and other appropriate agencies for the purpose of improving water quality throughout the marine ecosystem of the Florida Keys. The first reading of the bill will be dispensed with. Points of order against consideration of the bill for failure to comply with clause 4(a) of rule XIII are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider

as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The gentleman from Florida (Mr. DIAZ-BALART) is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the distinguished gentlewoman from New York (Ms. SLAUGHTER); pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 483 is an open rule, providing for the consideration of H.R. 673, the Florida Keys Water Quality Improvements Act of 2000. The rule provides for 1 hour of general debate, equally divided between the chairman and the ranking minority member of the Committee on Transportation and Infrastructure.

The rule waives clause 4(a) of Rule XIII, requiring a 3-day layover of the committee report against consideration of the bill. The rule also makes in order the committee amendment in the nature of a substitute as an original bill for the purpose of amendment, which shall be open for amendment at any point.

The rule allows the chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce voting time to 5 minutes on a postponed question if the vote follows a 15-minute vote.

In addition, Members who have preprinted their amendments in the RECORD prior to their consideration will be given priority in recognition to offer their amendment if otherwise consistent with House rules. Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, I am pleased to support this open rule which provides for the full and fair consideration of the Florida Keys Water Quality Improvements Act. I am pleased to be a cosponsor of this very important legislation, which authorizes grants for wastewater and storm water management projects to address the need for infrastructure improvements in the beautiful Florida Keys.

I am extremely proud of the Florida Keys, a unique marine environment which includes the only living coral reef barrier ecosystem in North America. This chain of over 800 individual islands, or keys, provides significant recreational and commercial opportunities and are a favorite among scuba divers, anglers, bird watchers, and tourists of all kinds.

In 1990, Congress passed the Florida Keys National Marine Sanctuary and Protection Act, which directed the EPA and the State of Florida to establish a water quality steering committee for the sanctuary and develop a comprehensive water quality protection program.

That steering committee identified inadequate wastewater and storm water management systems as the largest man-made sources of pollution in the near shore waters off the Florida Keys. The cost of needed wastewater improvements is between $184 to $418 million, and the cost of necessary storm water management proposals is between $370 and $680 million.

This legislation, which will help preserve our national treasure, authorizes $212 million in EPA grants to the Florida Keys Aqueduct Authority, or other agencies of the State of Florida or of Monroe County, for projects to replace inadequate wastewater treatment systems and establish, replace, or improve storm water systems in Monroe County, Florida; and it requires that the non-Federal cost share for projects carried out under this bill shall be not less than 25 percent of the total.

I believe it is entirely appropriate for there to be a Federal role in cleaning up and preserving the delicate ecosystem in the Florida Keys National Marine Sanctuary so that our children and their children, as well as generations of visitors from throughout the world, may be able to enjoy this extraordinary living coral reef barrier ecosystem, the only one in North America.

Mr. Speaker, I urge adoption of both this open rule and the underlying legislation, H.R. 673, the Florida Keys Water Quality Improvements Act of 2000.

Mr. Speaker, I reserve the balance of my time.

☐ 1045

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, I thank my colleague the gentleman from Florida (Mr. DIAZ-BALART) for yielding me the customary 30 minutes.

Mr. Speaker, I support this rule that allows Members to offer all germane amendments to the underlying bill, the Florida Keys Water Improvements Act, H.R. 673.

The underlying bill is completely noncontroversial and goes a long way toward protecting the Florida Keys. As many in this body already know, the Florida Keys are a spectacular chain of 800 independent islands located southeast of Florida.

The Keys are a unique and nationally significant marine environment and include North America's only living coral barrier reef ecosystem. But with rapid population growth, the Keys have begun to experience significant water quality problems.

In 1990, Congress passed the Florida Keys National Marine Sanctuary and Protection Act designating the Florida Keys National Marine Sanctuary. That Act directed EPA and the State of Florida to develop a comprehensive water quality protection program for the Sanctuary.

Since that time, the EPA and other Federal and State and local agencies have identified wastewater infrastructure improvements as the single most important investment to improve the water quality around the Florida Keys.

Improvement of storm water management in the area of the Florida Keys is also needed to reduce pollutant loadings from largely uncontrolled storm water runoff from existing development.

This Act provides the Federal share of funds for projects to replace these inadequate wastewater treatment systems that are damaging the Keys. These funds will supplement commitment by the State of Florida and Monroe County, Florida, for planning and construction of wastewater and storm water projects.

H.R. 673 would authorize appropriations of $213 million over the 2001–2005 period for this new grant program.

Mr. Speaker, I do not oppose this open rule.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. GOSS), my distinguished colleague, the vice-chairman of the Committee on Rules, a fighter for the environment, and one of the leading advocates for environmental causes in this Congress and especially in Florida.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I thank my distinguished colleague from Florida (Mr. DIAZ-BALART) for his kind words and for his action on this rule.

Mr. Speaker, I remember very well back in the old days when we had a merchant marine and fisheries committee and Dante Fascell came forward

with this. And in the tradition of Mr. Fascell and the delegation working together, it has come to fruition.

I congratulate the gentleman from Florida (Mr. DEUTSCH) and all the rest of the delegation and, of course, the gentleman from Pennsylvania (Chairman SHUSTER) and his committee for bringing us forward to this date.

This is a continuum of efforts to protect one of the most unique, captivating, spectacular resources we have in the United States of America, the Florida Keys.

This is complementary to the efforts that this body has taken with regard to the Everglades and protection of Florida Bay. This is an investment. That is well worthwhile.

If my colleagues have not visited the Florida Keys, they should. If they have visited the Florida Keys, they will understand why this is necessary legislation.

I urge support of this rule and support of the legislation.

Ms. SLAUGHTER. Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. FOLEY), a distinguished leader, who, in the short period of time he has been in Congress, has already left quite a mark on a number of critical issues to South Florida.

Mr. FOLEY. Mr. Speaker, I thank the gentleman from Florida (Mr. DIAZ-BALART), a member of the Committee on Rules, for his leadership as well. He is from South Florida and has undertaken to represent that community and the entirety of the State and the Nation in a very competent fashion.

I first want to thank the chairman and also thank especially our colleague from Florida (Mr. DEUTSCH) who has spearheaded this legislation which is vital, obviously, to the Florida Keys and to thank, as well, the gentleman from New York (Mr. BOEHLERT), the chairman of the committee, for endeavoring to bring this bill to the floor.

Mr. Speaker, we have heard quite a bit today about the importance of this bill and the positive impact it will have on the delicate marine ecosystem of the Florida Keys.

I appreciate the comments made by the gentleman from Florida (Mr. GOSS) and urge people to please make their vacation plans to visit this pristine, wonderful part of Florida. I know they will not be disappointed. As my colleague clearly stated, those who have been there fully understand the magnitude and magnificence not only of the region but of the necessity for the bill.

The Federal Government has recognized the importance of this system by naming it the National Marine Sanctuary. But it currently is in jeopardy. For too long, inadequate storm water management systems and wastewater treatment systems have allowed pollutants to mar this national treasure.

I might also add, we have a similar experience around Lake Okeechobee because of septic tanks and other things that were causing and are causing the degradation of the environment.

While we are here today to talk about the Keys, I also want to call to the attention of Members of Congress other waterways and other water bodies which would clearly have a significance and could actually use the model that the gentleman from Florida (Mr. DEUTSCH) has established today to help deal with other areas and other consequences.

But what impact will this problem have if left unchecked on the rest of us? Over 2 million people visit this beautiful area each year. But because of the inadequate infrastructure, what was once clear and beautiful water is now discolored. Beaches are often closed and public health officials warn against swimming near the shores. This poses a public health threat and a threat to the livelihood of many of the Keys' full-time residents.

The Florida Keys marine ecosystem is intrinsically linked with the Greater South Florida ecosystem, including our national park, the Florida Everglades. In devoting resources towards the restoration of this important ecosystem, we must ensure that a coordinated effort is undertaken so that the best environmental and fiscal outcome can be achieved for all concerned.

We have agreed that there is a problem by establishing the Water Quality Protection Program Steering Committee. This committee has proposed, as directed by the Congress, a comprehensive program to ensure water quality and protection embodied in this resolution, H.R. 673.

The State of Florida and the Monroe County Commission have demonstrated their commitment to this solution.

Let us pass this legislation and demonstrate the commitment of this Congress to preserving the beauty of the Florida Keys National Marine Sanctuary for all Americans.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I too wish to add my voice of congratulations to the distinguished gentleman from the Florida Keys (Mr. DEUTSCH) who has worked so hard on this critical issue, as well as all the other colleagues who have worked on this matter, which is of such importance to that extraordinary treasure, national treasure, which is the Florida Keys.

I urge my colleagues to support this open rule, to support the underlying very important legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 1106, ALTERNATIVE WATER SOURCES ACT OF 2000

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 485 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 485

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1106) to authorize the Administrator of the Environmental Protection Agency to make grants to State agencies with responsibility for water source development for the purpose of maximizing available water supply and protecting the environment through the development of alternative water sources. The first reading of the bill will be dispensed with. Points of order against consideration of the bill for failure to comply with clause 4(a) of rule XIII are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentleman from Ohio (Mr. HALL), my friend and colleague, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate on this issue only.

Mr. Speaker, this is a very fair, simple rule, as we have just heard described to us. It provides for adequate and appropriate consideration of H.R. 1106, the Alternative Water Sources Act. It is a wide open rule that will accommodate any Member's interest in the amendment process who wishes to come forward on it.

H.R. 1102 would provide Federal grants to State and local governments so that they can move forward on developing alternative water sources. This is a critically important issue for my home State of Florida and for States across the country. We have always had water wars in America, but with an ever-increasing population and the accompanying heightened demand for water that we see in our communities, we are sure, I am afraid, we are going to see more of these disputes.

So H.R. 1102 aims to spur the development of alternate water sources which will help meet the increased demand. It is proactive. It is forward thinking. I thank my colleagues, the gentlewoman from Florida (Mrs. FOWLER) and the gentleman from New York (Chairman BOEHLERT) and the gentleman from Pennsylvania (Chairman SHUSTER) of the committee for their work to bring this forward at this time.

I certainly encourage my colleagues to support the rule and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Florida (Mr. GOSS) for yielding me the customary time.

Mr. Speaker, this is an open rule. As my colleague from Florida has described, this rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure.

The rule permits amendments under the 5-minute rule, which is the normal amending process in the House. All Members on both sides of the aisle will have the opportunity to offer germane amendments.

The bill authorizes the Environmental Protection Agency to provide grants for water reclamation, reuse, and conservation projects.

America's growing population has created an increased demand for water, and this legislation will help States, local governments, private utilities, and nonprofit groups develop new water resources to meet these critical needs.

The bill was approved by a voice vote of the Committee on Transportation and Infrastructure with bipartisan support. It is an open rule.

I urge adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Florida (Mr. FOLEY) who has the adjoining district and shares the same interest I do in South Florida.

□ 1100

Mr. FOLEY. Mr. Speaker, I thank the gentleman from Florida (Mr. GOSS), a member of the Committee on Rules, the champion of the Everglades, for giving me the opportunity to once again to speak under another rule, to talk about an issue again critical to the State of Florida and again dealing with the importance of water. And if anyone has traveled to Florida, whether it be the Keys or to Okeechobee County or to Palatka or Jacksonville or the Panhandle, they recognize with some 45 million annual visitors a year and a population in excess of 14 million people we clearly have water on our mind. It is everywhere. It is bountiful. It is plentiful, but it is diminishing. Obviously, it is not all available for consumption. We are surrounded by both the Gulf and the Atlanta Ocean which is, of course, saltwater incapable of being used for nourishment or thirst-quenching, unless it has been desalinated and that, of course, is an expensive proposal.

I want to first thank the gentleman from New York (Mr. BOEHLERT) and the gentleman from Pennsylvania (Mr. SHUSTER) and others who have allowed this bill to come to the floor today, and I want to thank my colleagues, the gentlewoman from Florida (Mrs. THURMAN), the gentlewoman from Florida (Mrs. FOWLER), the gentleman from Florida (Mr. MICA), and the gentlewoman from Florida (Ms. BROWN) for their hard work on H.R. 1106.

Many States, especially my home State of Florida, currently face a water supply crisis. Our populations continue to grow but our water levels continue to decrease. If nothing is done, it is estimated that water demand will exceed supply as early as 2020. Congress must act now before this problem escalates to that dangerous level leading to potential economic and environmental crises.

I will stop there for just a moment to recognize the actions on the floor of the legislature in unanimously passing the bill provided to them by Governor Jeb Bush regarding the Florida Everglades which, of course, is a key part and component of the long-term solutions of saving Florida and obviously providing an abundant supply of water. That bill provides $123 million over the course of the next several years in order to accomplish environmental restoration. That is critical to be acknowledged on the floor today because we will ultimately take up the restudy bill, which is a bill that has been strongly championed by the Florida delegation in order to get money necessary to complete the important replumbing of the Florida Everglades and surrounding environments.

Congress has recognized a similar problem before in Western States and in the United States territories. A limited number of State governments are now eligible for funding to develop alternative water resources through the Bureau of Reclamation. We need to answer the call of high-population growth States such as Florida now with a comparable plan. Florida has taken aggressive steps through conservation and identification of alternative water sources. Unfortunately, these steps are clearly not enough.

High-population growth States need action by Congress now to prevent disastrous consequences later. So I urge my colleagues both to vote for the rule and vote for the underlying legislation, H.R. 1106, the Alternative Water Resources Act of 1999.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. GOSS. Mr. Speaker, I urge support of the rule. I yield back the balance of the time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FLORIDA KEYS WATER QUALITY IMPROVEMENTS ACT OF 2000

The SPEAKER pro tempore (Mr. MILLER of Florida). Pursuant to House Resolution 483 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 673.

□ 1103

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 673) to authorize the Administrator of the Environmental Protection Agency to make grants to the Florida Keys Aqueduct Authority and other appropriate agencies for the purpose of improving water quality throughout the marine ecosystem of the Florida Keys, with Mr. BARRETT of Nebraska in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Pennsylvania (Mr. BORSKI) each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would urge strong support for H.R. 673, the Florida Keys Water Quality Improvements Act, because it is going to help improve and maintain one of our Nation's real treasures, the Florida Keys National Marine Sanctuary.

The water quality experts have found that the inadequate wastewater treatment and storm water management systems are major contributors of pollution in the nearby waters of the Florida Keys. This pollution is threatening

the ecosystem's health and viability. However, the costs to make the necessary wastewater and storm water improvements represent an enormous burden to the 85,000 permanent residents of Monroe County, Florida. So that is why I would urge all Members of Congress to support passage of this bill.

It provides Federal assistance to help Monroe County afford the necessary improvements to protect the Florida Keys National Marine Sanctuary.

Mr. Chairman, I reserve the balance of my time.

Mr. BORSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to join with our distinguished chairman in strong support of H.R. 673, the Florida Keys Water Quality Improvements Act.

The Florida Keys are a spectacular natural resource of international significance. Home to North America's only living coral barrier reef, the Florida Keys are located in a unique and fragile marine environment requiring special attention. We must ensure that these resources are protected for future generations.

The Florida Keys marine ecosystem is dependent upon clean, clear water with low nutrient levels for its survival. However, as population and tourism within the Keys have increased over the years, improvements in wastewater and storm water management have not kept pace. The result is an increased discharge of pollutants into the near-shore waters of the Florida Keys. This increased pollution has had devastating effects on the marine environment, and is threatening the reefs of the Florida Keys National Marine Sanctuary.

The legislation on the floor today will assist greatly in improving the water quality of the Florida Keys region. H.R. 673, as amended by the Committee on Transportation and Infrastructure, would establish a grant program under the Environmental Protection Agency for the construction of treatment works projects aimed at improving the water quality of the Florida Keys National Marine Sanctuary.

The administrator of EPA, after consultation with State and local officials, would be authorized to fund treatment works projects that comply or are consistent with local growth ordinances, plans and agreements, as well as current water quality standards. Projects funded under this program would be cost-shared, with local sponsors providing a minimum of 25 percent of the project costs.

Monies authorized by this bill will be utilized to replace the dated, inefficient methods of sewage and storm water treatment currently being used in the Keys with modern waste and storm water treatment works.

By ensuring that the nutrients associated with such wastes are not discharged or released into the surrounding waters, we can prevent further damage to the marine environment and achieve dramatic improvement to the water quality in the National Marine Sanctuary.

Mr. Chairman, I want to congratulate the sponsor of this legislation, the gentleman from Florida (Mr. DEUTSCH) and the gentleman from Florida (Mr. SHAW) for their hard work in bringing this matter to the consideration of the committee. I support this legislation and urge its approval.

Mr. SHUSTER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida (Mr. MILLER), for a colloquy.

Mr. MILLER of Florida. Mr. Chairman, I rise in strong support of this legislation; and I commend my colleague, the gentleman from Florida (Mr. DEUTSCH), who represents the Keys, in bringing this forward. I also commend the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from New York (Mr. BOEHLERT), who is chairman of the subcommittee, as they go through this process of evaluating the restoration of the Florida Keys.

It is going to be one of the largest single, as we know, public works projects in history; and we are excited about the future of being able to restore the Everglades to that river of grasses that was so eloquently written about over 50 years ago.

I proposed an amendment, which I will not be making, because of some concerns I had about issues within the Everglades, because when we talk about the quality of water, and that is what we are talking about is the quality of the water in the Everglades, and the gentleman was talking about the runoff in the Keys and also the issue of septic tanks, we need to talk about agricultural runoff that flows from the Keys. And there is no question it has a negative impact on the Keys and Florida Bay, which everybody has used great superlatives to describe this delicate marine ecosystem, as was used earlier that we need to make sure that we are allowed and the EPA is allowed to continue to address the issue of agricultural runoff and that there is nothing in this bill that would preclude the EPA from addressing that particular issue.

So that is essentially what my concern is, that the EPA can continue to address any of the concerns about agricultural runoff, and this does not prevent that from happening.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Florida. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, the gentleman is absolutely correct, this bill focuses solely on the role of financial assistance.

Mr. MILLER of Florida. Great. The sugar program is one that encourages overproduction of sugar, and it has that negative impact because of the pollutants of fertilizer and such so I think we need to address that issue; and it will come up at other times during the year, and we will address it at that time.

So I appreciate the chairman's assurance.

Mr. BORSKI. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida (Mr. DEUTSCH), the prime sponsor of the legislation.

Mr. DEUTSCH. Mr. Chairman, this is really in many ways one of, I would not even say proudest but happiest days that I have served in the United States Congress just listening to the debate over the last half hour or so in terms of the Florida Keys, because for anyone who has been listening for the last half hour or so we have Members from around the country speaking as eloquently, if not better, about the beauty and the significance of the Florida Keys as I could myself.

I think that is the statement that this is not a resource just of Monroe County, and the truth is it is not even just a resource of the United States of America, but it truly is an international resource. There is only one Everglades in the world. There is only one Florida Bay. There is only one living coral reef in North America which is basically outside or part of the Florida Keys, part of Monroe County. So this has really been a very heartwarming last half hour or so, but more than that it has been a heartwarming process that we are here today with this bill on the floor.

I really want to thank my colleagues from the Florida delegation, specifically the gentleman from Florida (Mr. SHAW), who is the prime sponsor with me, the gentlewoman from Florida (Ms. ROS-LEHTINEN), and the gentleman from Florida (Mr. GOSS) as well, who have worked so hard throughout the process but also the Members in the leadership of the Committee on Transportation and Infrastructure for their commitment to this critical national priority.

Mr. Chairman, today Congress advances America's commitment to the Florida Keys. An American treasure is at risk and the Florida Keys Water Quality Improvements Act will help save North America's only living coral reef.

A 150-mile chain of islands which rose from ancient coral rock, the Florida Keys comprise the southern end of the Everglades ecosystem. While the spectacular coral reef is the Keys' most popular feature, they are also known for native seagrass beds, lush tropical hardwood hammocks, mangrove forests, rocky pinelands, the endangered key deer, and a wide array of aquatic life.

Only about 80,000 people live in the Keys community of Monroe County, but the mystery of this tropical paradise attracts over 2 million visitors every year.

The Keys are a tropical paradise, but they are at risk of becoming a paradise lost. Mr. Chairman, pollution is the number one problem. Pristine water which was once crystal clear in many places now is turning pea green. The living reef tract is becoming infected

with disease and many parts are dying off completely. Last summer, unchecked pollution closed beaches throughout the county, including most beaches in Key West. Up and down the Keys, health officials warn against swimming close to shore.

Unless decisive action is taken to stop the flow of pollution, scientists warn the ecosystem will continue its decline towards total collapse. The source of the problem is clear. The Keys have almost no water quality infrastructure. Lacking adequate technology, untreated wastewater now travels easily through porous limestone rock into the near-shore waters. Polluted storm water also flows from developed land into the same near-shore waters.

Mr. Chairman, the Christian Science Monitor clearly described the problem in an article which appeared exactly one year ago today: ''One of the most treasured marine ecosystems in the United States is literally being flushed down the toilet.''

H.R. 673 addresses this problem by authorizing $213 million for the deployment of water quality technology throughout the Keys. The legislation is a natural extension of the Federal commitment to the Florida Keys under the Florida Keys National Marine Sanctuary Protection Act approved by Congress in 1990.

□ 1115

The Sanctuary Act established a Federal role in research and protection of the Keys marine ecosystem. It directed the Environmental Protection Agency and the State of Florida to establish a Water Quality Steering Committee which was charged with developing a comprehensive water quality protection program. In fulfilling this directive, the steering committee worked closely with dedicated citizens, scientists, and technical experts. In the final analysis, it found that inadequate waste water and storm water systems are the largest source of pollution in the Keys.

H.R. 673 also authorizes grants under the Clean Water Act for the construction of water quality improvements according to Monroe County's waste water master plan and plans of incorporated municipalities. Projects will be funded on a 75 percent Federal, 25 percent non-Federal base.

One point is important to stress: Even with appropriate Federal support, the people of the Keys will still pay more than twice the national average in monthly sewer bills. I think my constituents will agree that it is a price worth paying.

Let me just add also a word of thanks to everyone in Monroe County. It has been an incredibly supportive effort at every level, environmentalists, the Chamber of Commerce groups, it has been totally a success story I think in policy in terms of the Congress as well over a number of years.

Mr. SHUSTER. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from New York (Mr. BOEHLERT), the distinguished chairman of the Subcommittee on Water Resources of the Committee on Transportation and Infrastructure.

Mr. BOEHLERT. Mr. Chairman, I thank the chairman for yielding me time.

Mr. Chairman, the Florida Keys are a unique marine environment and include the only living coral reef barrier system in North America. So this is not something that is just about Florida, it is about America.

In 1990, Congress recognized the importance of the Florida Keys and created the Florida Keys National Marine Sanctuary. A Water Quality Steering Committee created under the sanctuary's implementing act has identified inadequate waste water and storm water controls in Monroe County, Florida, as the largest source of man-made pollution into the waters of the Florida Keys.

To make the necessary waste water improvements, the estimated cost to improve near shore water quality in the Florida Keys is between $184 million and $418 million. To make the necessary storm water management improvements, the estimated cost is between $370 million and $680 million. We are not going to bear the entire cost, even though this is a national resource. The State of Florida is obligated to come up with 25 percent cost share.

H.R. 673 authorizes the U.S. Environmental Protection Agency to provide grants to public agencies in Florida to replace inadequate waste water and treatment systems and to establish, replace, or improve storm water management systems in Monroe County, Florida.

Let me say that I want to thank the stars of the Committee on Transportation and Infrastructure, and I am talking about our distinguished chairman, the gentleman from Pennsylvania (Mr. SHUSTER); the distinguished ranking member, the gentleman from Minnesota (Mr. OBERSTAR); and my colleague, the distinguished ranking member, the gentleman from Pennsylvania (Mr. BORSKI).

I say they are ''stars'' because this committee, week after week, comes to the floor with meaningful legislation that builds our Nation's infrastructure and that protects our Nation's precious natural resources. We have a track record that is the envy of all other committees of this Congress and that is a tribute to our leadership, that is a tribute to the bipartisanship and the determination of our committee to work constructively and positively for responsible public policy that affects all Americans. I am privileged to be associated with the committee.

Ms. ROS-LEHTINEN. Mr. Chairman, I join with over half of the Florida delegation to support H.R. 673, the Florida Keys Water Quality Improvements Act of 2000, that will provide $213 million to help preserve one of this nation's crown jewels.

Within the Florida Keys lies the only living coral reef bed in the United States and the third largest in the world.

The coral reef is also home to plants and animals unique to this area that make up a rare and sensitive ecosystem.

The Keys are being threatened with disease and even death if the raw wastewater flowing through the porous limestone of the Key is not treated and cleaned up.

Inadequate wastewater and stormwater infrastructure have caused the once pure waters to become polluted and dirty, threatening not only the viability of the living reef tract, but the plants and animals that are dependent upon it.

Throughout the Keys, antiquated septic tanks leak and outdated sewage systems leak refuse into these waters, flowing directly through the permeable limestone.

H.R. 673 authorizes a 75/25 split between federal grants and non-federal monies to construct the necessary infrastructure.

The communities of the Keys lack the tax base to provide an adequate solution without federal help, and even with passage of H.R. 673, residents will pay twice the national average in sewer bills.

The chain of islands runs 150 miles and are home to 80,000 residents, but each year, they receive over two million visitors which adds more stress to the fragility of the ecosystem.

The popularity of these islands has actually exacerbated the problems facing the Keys.

I urge my colleagues to support this important legislation to ensure that one of our nation's gems is restored to its previous pristine condition.

Mr. BORSKI. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time and urge adoption of the bill.

Mr. SHUSTER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 673

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Florida Keys Water Quality Improvements Act of 2000''.

SEC. 2. FLORIDA KEYS WATER QUALITY IMPROVEMENTS.

Title I of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) is amended by adding at the end the following:

''SEC. 121. FLORIDA KEYS.

''(a) IN GENERAL.—Subject to the requirements of this section, the Administrator may make grants to the Florida Keys Aqueduct Authority and other appropriate public agencies of the State of Florida or Monroe County, Florida, for the planning and construction of treatment works to improve water quality in the Florida Keys National Marine Sanctuary.

''(b) CRITERIA FOR PROJECTS.—In applying for a grant for a project under subsection (a), an applicant shall demonstrate that—

''(1) the applicant has completed adequate planning and design activities for the project;

''(2) the applicant has completed a financial plan identifying sources of non-Federal funding for the project;

''(3) the project complies with—

''(A) applicable growth management ordinances of Monroe County, Florida;

''(B) applicable agreements between Monroe County, Florida, and the State of Florida to manage growth in Monroe County, Florida; and

''(C) applicable water quality standards; and

''(4) the project is consistent with the master wastewater and stormwater plans for Monroe County, Florida.

''(c) CONSIDERATION.—In selecting projects to receive grants under subsection (a), the Administrator shall consider whether a project will have substantial water quality benefits relative to other projects under consideration.

''(d) CONSULTATION.—In carrying out this section, the Administrator shall consult with—

''(1) the Water Quality Steering Committee established under section 8(d)(2)(A) of the Florida Keys National Marine Sanctuary and Protection Act (106 Stat. 5054);

''(2) the South Florida Ecosystem Restoration Task Force established by section 528(f) of the Water Resources Development Act of 1996 (110 Stat. 3771–3773);

''(3) the Commission on the Everglades established by executive order of the Governor of the State of Florida; and

''(4) other appropriate State and local government officials.

''(e) NON-FEDERAL SHARE.—The non-Federal share of the cost of a project carried out using amounts from grants made under subsection (a) shall not be less than 25 percent.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section—

''(1) $32,000,000 for fiscal year 2001;

''(2) $31,000,000 for fiscal year 2002; and

''(3) $50,000,000 for each of fiscal years 2003 through 2005.

Such sums shall remain available until expended.''.

The CHAIRMAN. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. DEUTSCH

Mr. DEUTSCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEUTSCH:

Page 2, line 13, strike ''and other appropriate'' and all that follows through the end of line 14 and insert the following:

, appropriate agencies of municipalities of Monroe County, Florida, and other appropriate public agencies of the State of Florida or Monroe County

Mr. DEUTSCH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. DEUTSCH. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, we support this amendment. It is a technical amendment. It makes a change to clarify the intent of the bill to ensure that appropriate public agencies in Monroe County are eligible to receive assistance. We support the gentleman's amendment.

Mr. BORSKI. Mr. Chairman, will the gentleman yield?

Mr. DEUTSCH. I yield to the gentleman from Pennsylvania.

Mr. BORSKI. Mr. Chairman, we have reviewed this amendment and agree that it is a clarifying amendment, and will be happy to support the gentleman.

Mr. DEUTSCH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. DEUTSCH).

The amendment was agreed to.

The CHAIRMAN. Are there other amendments?

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT:

At the end of the bill, add the following new section:

SEC. 3. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act (including any amendment made by this Act), it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act (including any amendment made by this Act), the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

(c) NOTICE OF REPORT.—Any entity which receives funds under this Act shall report any expenditures on foreign-made items to the Congress within 180 days of the expenditure.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, the American taxpayer is going to pay to clean up the Keys. I would like to see that it be possible that American taxpayer dollars be spent to buy American goods and services.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I support the gentleman's amendment. It is a buy-America amendment, it is a good amendment, and I urge its adoption.

Mr. BORSKI. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. BORSKI. Mr. Chairman, I want to say we would be happy to support this as well. The gentleman is a champion of American workers, and this is a good amendment.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, I ask for an aye vote, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The commitment amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. WICKER) having assumed the chair, Mr. BARRETT of Nebraska, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 673) to authorize the Administrator of the Environmental Protection Agency to make grants to the Florida Keys Aqueduct Authority and other appropriate agencies for the purpose of improving water quality throughout the marine ecosystem of the Florida Keys, pursuant to House Resolution 483, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SHUSTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the rule, further proceedings on this question are postponed.

ALTERNATIVE WATER SOURCES ACT OF 2000

The SPEAKER pro tempore. Pursuant to House Resolution 485 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1106.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1106) to authorize the Administrator of the Environmental Protection Agency to make grants to State agencies with responsibility for water source development for the purpose of maximizing available water supply and protecting the environment through the development of alternative water sources, with Mr. BARRETT of Nebraska in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Pennsylvania (Mr. BORSKI) each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this legislation was introduced by the gentlewoman from Florida (Mrs. FOWLER) and the gentlewoman from Florida (Mrs. THURMAN) and authorizes EPA grants for alternative water source projects to meet critical water supply needs.

Water supply needs in many parts of our country are under increasing pressure. We simply do not have a nationwide program that is focusing on reclaiming and reusing water. This legislation addresses that gap by authorizing EPA grants for alternative water source projects.

This bill has broad bipartisan support. It passed the Committee on Transportation and Infrastructure by unanimous voice vote. It is a very sound environmental bill, and I urge its support.

Mr. Chairman, I reserve the balance of my time.

Mr. BORSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me first congratulate the chairman of the committee for his leadership in bringing this bill to the floor. I also want to thank our distinguished subcommittee chairman for his great leadership and, of course, acknowledge our ranking member, the gentleman from Minnesota (Mr. OBERSTAR) once again for providing great leadership. As our subcommittee chairman noted on the previous bill, this is a committee that works and it works in a bipartisan fashion and we are very pleased with that.

Mr. Chairman, I rise in strong support of H.R. 1106, the Alternative Water Sources Act of 2000. This legislation would establish a new program within EPA to provide financial assistance for alternative water source projects under the Clean Water Act. These projects would enhance water supplies by conserving, managing, reclaiming or reusing water or wastewater, or by treating wastewater in areas where there is a critical water supply need.

As stated in the committee report, all the problems eligible for funding under this program are within the Clean Water Act definition of treatment works, and subject to the requirements of Section 513 of the Act relating to grants.

H.R. 1106, as amended by the Committee on Transportation and Infrastructure, has a number of safeguards to ensure that water source projects supported by this program will receive appropriate scrutiny.

First, entities are eligible for financial assistance only if they are authorized by State law to develop or provide water for municipal, industrial, or agricultural use in areas with critical water supply needs.

Second, the entities are required to contribute at least 50 percent of the project cost. Finally, projects greater than $3 million in Federal costs must be approved by resolutions adopted by either the Committee on Transportation and Infrastructure or the Senate Committee on Environment and Public Works.

Mr. Chairman, eligibility for this new program would be open to all 50 States. However, language is included in this legislation to prohibit projects that have received funding under existing programs of the Bureau of Reclamation from also being funded under this program.

In addition, this legislation would require the administrator of EPA to take into account the eligibility of a project for funding under the existing bureau programs when selecting projects for funding under this new program. This will assist in achieving regional fairness in funding these critical needs.

Mr. Chairman, I want to congratulate the gentlewoman from Florida (Mrs. THURMAN) for her great leadership on this bill and the gentlewoman from Florida (Mrs. FOWLER) for her hard work in assisting the committee in bringing this measure to the floor. I support this legislation and urge an aye vote.

Mr. Chairman, I reserve the balance of my time.

Mr. SHUSTER. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from New York (Mr. BOEHLERT), the distinguished chairman of the Subcommittee on Water Resources of the Committee on Transportation and Infrastructure.

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, traditionally our Clean Water Act programs have appropriately focused on how to keep water from getting polluted, and that makes a lot of sense. That is a matter of the highest priority.

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It is still a national objective to have all of our Nation's waters fishable and swimmable. However, less attention has been paid to opportunities to reclaim or reuse water. However, to meet critical water supply needs in some parts of the country, existing sources of water will not be sufficient. That is a sad commentary, but it is true. We are going to have to reclaim and reuse water.

Water shortages are nothing new in the arid West. The Bureau of Reclamation has a water reclamation and reuse program for the 17 Western States and 4 U.S. territories pursuant to the Reclamation Projects Authorization and Adjustment Act of 1992, and that is very appropriate.

Some areas of the eastern half of the United States are now beginning to have water shortages as well. But due to the limited assistance available to water reclamation or reuse projects in the East, we are failing to preserve existing supplies of fresh water through water conservation and reuse.

To address this issue, our distinguished colleagues, the gentlewoman from Florida (Mrs. THURMAN) and the gentlewoman from Florida (Mrs. FOWLER), introduced H.R. 1106 to authorize EPA grants for alternative water source projects to meet critical water supply needs. For all of those people who say, they never work together in Congress, they are too partisan, I say baloney. This is a good example of a Democrat and a Republican working together with a very productive committee, the Committee on Transportation and Infrastructure, to address a legitimate problem in a responsible way.

As amended by the committee, this new program will help all States meet these needs. However, projects that have received funding from the Bureau of Reclamation are not eligible for assistance under the new authorization, and that makes sense. We do not want double-dipping around here.

The bill also instructs the EPA administrator to take into account the eligibility of a project for funding under the Bureau of Reclamation program when selecting projects for funding under the EPA program. Given the existence of this other program, we expect the administrator to recognize the importance of selecting and funding projects that are not eligible for the Bureau of Reclamation program. Once again, we do not want to duplicate something.

I want to commend the gentlewoman from Florida (Mrs. THURMAN) and the gentlewoman from Florida (Mrs. FOWLER) for their fine work on this legislation. I thank the gentleman from Pennsylvania (Mr. SHUSTER), the chairman of the committee; and the gentleman from Minnesota (Mr. OBERSTAR), the ranking member; and the

gentleman from Pennsylvania (Mr. BORSKI), the ranking member of our Subcommittee on Water Resources and the Environment. I am so pleased to see the chairman give emphasis to that ''environment'' section of the title of our subcommittee. We not only are environmentally responsible on the Committee on Transportation and Infrastructure, we also are responsible for the majority of legislation considered in this, the people's House.

Mr. BORSKI. Mr. Chairman, I yield 6 minutes to the prime sponsor of the bill, the gentlewoman from Florida (Mrs. THURMAN), who has spent years of her life dedicating herself to this particular issue.

Mrs. THURMAN. Mr. Chairman, I thank the gentleman for yielding me this time. I too need to make some thank-yous here, and as the gentleman from Pennsylvania (Mr. BORSKI) said, we have been working on this piece of legislation for quite a long time. But had it not been for the work of the chairman, the gentleman from Pennsylvania (Mr. SHUSTER); the gentleman from Minnesota (Mr. OBERSTAR); and the gentleman from New York (Mr. BOEHLERT) who have been so helpful on this measure; I have not left out the gentleman from Pennsylvania (Mr. BORSKI), because I want to tell my colleagues that not only has he been the kind of person that has helped me on the floor to figure out where we were having pitfalls, he actually came to the district and looked at the problems that we were facing in Florida, and I thought that that was just an extra touch for him to do that. I just want to say how much I appreciate his leadership on these issues, and certainly to everybody else that has helped me.

I also need to finally salute my colleague and the gentlewoman also from Florida (Mrs. FOWLER) for her leadership, and for the member on the committee who has taken a lead on this issue as well.

Mr. Chairman, we need to recognize that in H.R. 1106, there have been a total of 33 sponsors, from Florida, Georgia, Mississippi, Louisiana, Arkansas, New York, Illinois, and Ohio. I am just pleased that Members from other States who also recognize the problem that this bill addresses, and that problem is increased pressure on water supply, both at home and, quite frankly, abroad as well.

In fact, some experts believe that the major international conflict, the next one, will not be about oil, but will be about water. Former Senator Paul Simon has written a book entitled, Tapped Out, and its subtitle, The Coming World Crisis in Water and What We Can Do About It.

Population and economic growth are straining water resources. Florida, for instance, adds about 600 people per day. In many areas, the high demand for water has led to over-pumping the aquifers, giving us salt water intrusion, the drying up of wetlands, and again pointing out other environmental crises. Just yesterday, as many of my colleagues saw, a television network noted the drought in the Midwest. The time is really now to act.

Florida's water management districts are working to preserve water supply. In the Tampa Bay area, water-conserving devices have saved 8.8 million gallons a day. Similar initiatives have been undertaken in other parts of the State. In 1998, EPA Administrator Carol Browner noted the extraordinary and innovative efforts that Floridians have undertaken to meet the water conservation challenge.

I believe that this bill will help many States meet water supply needs and start a discussion on how to meet water supply needs for the next 100 years. Without alternative water sources, many States may find themselves hurting for water for drinking, agriculture, industry, and commercial uses.

No single solution works everywhere. That is why I believe H.R. 1106 offers a flexible approach. It is not a one-size-fits-all attempt to impose a Federal solution on State or local agencies. Therefore, a long-term, sustained effort is needed to meet our future water needs. Over the years, Congress has adopted many water programs, some to deal with quality and others to deal with quantity. But since entering Congress, I have worked to close a gap in these programs of water reuse. H.R. 1106 closes that gap.

The Alternative Water Sources Act will help States meet ever-expanding demands for water. The bill establishes a 5-year, $75 million a year program to fund the engineering, design, and construction of water projects to conserve, reclaim and reuse precious water resources in an environmentally sustainable manner.

Under the program, water agencies in eligible States would submit grant proposals to the EPA. Fifty percent of the total project cost would come from local funding sources. Perspective grantees must demonstrate that proposed projects meet a State's detailed water plan.

This is what I envision in the future. Farmers or businesses will make better use of runoff or storm water. We are already doing some of that in Florida. And for every gallon they reuse, one less gallon of drinking water will be used. In the winter of 1998, to give my colleagues an example, the greater Tampa area received 23 inches of rain that washed into the Gulf of Mexico. A few months later, the area suffered a drought. If even some of that rainfall had been channeled and saved for future use, people's lives would have been much easier.

As a result of innovative technologies such as deep well injection, new methods of reusing and enhancing area water supplies can be applied today. If we use or improve this technology in one part of the country, it will help other parts of the country, because it will reduce pressure to move water from one region to another.

In commenting on a global study by the World Water Commission, which is supported by the U.N. and World Bank, the Christian Science Monitor in an April 14 editorial concluded, ''Aquifers in Florida, and in numerous other parts of the globe, cannot sustain unlimited pumping. Whether it is desalinization, capturing rain water, water-saving farming methods, or water pricing structures that impel greater conservation, humanity should use every tool available to safeguard this most basic natural recourse.''

Water reuse projects provide an important tool to safeguard this basic research.

Mr. Chairman, I realize that water reuse alone will not solve coming water problems. Today, many parts of Florida have water restrictions. Tomorrow, your State may have similar. A real national water policy also must include conservation programs. The efficient use of water must go hand in hand with energy efficiency. These are just some of the reasons why I feel the House should pass H.R. 1106, and I ask the cooperation of my colleagues.

Mr. BORSKI. Mr. Chairman, I yield 3 minutes to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, this is an important piece of legislation that is long overdue. We must address the critical water resource needs of our expanding communities. I want to especially thank the gentlewoman from Florida (Mrs. THURMAN), the gentleman from Florida (Mr. GOSS), and 32 cosponsors for taking the lead in getting the measure to the floor for consideration today.

Mr. Chairman, the Water Infrastructure Network released a comprehensive report at the Conference of Mayors' press conference here on Capitol Hill last month on the crisis facing the Nation's wastewater and drinking water system. The report concluded that there is an ''increasing gap in our Nation's water infrastructure needs and the Federal Government's financial commitment to safety and clean water.'' This is unfortunate.

In my home State of Florida, Orlando, Jacksonville and other metropolitan areas are faced with a fast-growing population and are very concerned, and rightly so, about their ability to adequately finance the programs needed to meet projected water demands. Water supply is one of the most important issues facing Florida and our Nation, and it is critical to our future. I urge support for H.R. 1106.

Mr. BORSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR), the distinguished and great leader of the Democrats on the Committee on Transportation and Infrastructure.

Mr. OBERSTAR. Mr. Chairman, I thank the ranking member for yielding me this time.

Over 35 years ago this very year, a book with a very thought-provoking

title prodded Congress and the then administration into thinking anew about our precious resources of fresh water. The title of that book, The Coming Water Famine, was written by a then junior member of the Committee on Public Works, the predecessor name of this committee. That junior member went on to become Speaker of the House, none other than Jim Wright, who, after considerable research into available and predictable uses of ground water, and population growth, and the availability of water in the Nation's major aquifers and other ground water resources, drew a curve in that book. It showed that here is this constant supply of water and use is climbing at an accelerating rate. He predicted that some time in the mid-1980s, not a specific date, the two would intersect. We passed that point well before the time Jim Wright predicted. He was on track. Congress and the administration, several administrations, have not been. We have not done enough to provide for the water resource needs of our country.

All the water there ever was, and all the water there ever will be, is available today on the earth. We cannot create new water. We can only conserve that which we have and manage it well. On any given day, there are 160 trillion gallons of moisture in the atmosphere over the Earth. After it comes in the form of snow or rain, and after runoff, there is only about 160 billion gallons that actually penetrate into the Nation's aquifers. We are using it at a faster rate than it is coming down, or that is being conserved by the earth. The Ogalala aquifer has been depleted to a dangerous point, such that if we stopped all use, all withdrawals from the Ogalala today, it would take the next 3 decades to replenish the water to where it should have been 30 years ago. So, too, for many other basins throughout the United States.

This legislation is not going to cure or correct that problem.

□ 1145

It is going to take a much broader, thoughtful consideration by the Congress, by future administrations, by the public on wise use and conservation of our resources. As we paved over America, our streets, cities, housing shopping centers, that water runs off. We are not giving it an opportunity to penetrate into and restore the aquifers from which we are drawing this precious source of life.

I commend the authors of the legislation, the two gentlewomen from Florida, who have advocated and brought it thus far; and I pay my great respect to the gentleman from Pennsylvania (Mr. SHUSTER), our chairman, who has long been an advocate of wise use and conservation of our water resources, as well as the gentleman from Pennsylvania (Mr. BORSKI), who has been a student of the subject and who has applied himself diligently.

Mr. Chairman, it is going to take more, much more than what we are doing in this legislation. We are going to provide financing to conserve, manage, reclaim, reuse water, wastewater, and treat it. We have provided language in this legislation to assure that we are not duplicating in this bill what is already available through the Bureau of Reclamation.

But the water needs go far beyond this halting step that we take here, a good step and an important one and very targeted, one that we must do; but we have to consider far greater concerns. The loss of the prairie pothole region. The loss of wetlands in America. We have half of what we had at the turn of the century and less than a third of what we had when America was formed as a nation.

If we continue to allow the destruction of the water-conserving forces that nature created and continue to draw water from basins that cannot be restored. We will indeed have shortchanged future generations.

So let us move with this legislation, but keep in mind that the coming water famine is with us and that it is up to us to address it for future generations.

Mr. SHUSTER. Mr. Chairman, I yield 3 minutes to the gentlewoman from Florida (Mrs. FOWLER), one of the prime sponsors of this legislation.

Mrs. FOWLER. Mr. Chairman, I do rise in strong support of H.R. 1106, the Alternative Water Sources Act. The gentlewoman from Florida (Mrs. THURMAN) and I introduced this legislation in the last Congress, and we are extremely pleased to see this important legislation being debated today on the floor and acted on.

I want to thank the gentleman from Pennsylvania (Chairman SHUSTER), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from New York (Mr. BOEHLERT), and the gentleman from Pennsylvania (Mr. BORSKI) for working so closely with us on this important legislation.

Mr. Chairman, H.R. 1106 will establish a Federal matching-grants program under the Clean Water Act to assist eligible and qualified States with the development of alternative water sources projects to meet the projected water supply demand for urban development, industrial, agriculture, and environmental needs.

Many will say that our existing water supply is sufficient. Well, for now that is true in some areas. But as our population grows, our water supply dwindles. We need to encourage States to be forward thinking when it comes to water supply and alternative sources.

There are many States, including Florida and New York, where the increase in population growth has already put a significant strain on their water supply. There is no dedicated source of funding to provide for partnerships between States not eligible for funding through the Bureau of Reclamation. This bill will provide for that.

We need this legislation to avoid a potential water supply crisis. A new Federal partnership is needed, one which will ensure that water supply will keep pace with population growth and protect our precious natural resources. Let us make sure that future generations do not have to grab an expensive bottle of water in order to quench their thirst.

Mr. Chairman, I encourage my colleagues to support this important legislation.

Mrs. MINK of Hawaii. Mr. Chairman, I rise today to express my strong support for H.R. 1106, the Alternative Water Sources Act of 2000.

This bill will provide federal matching funds for the design and construction of water reclamation, reuse, and conservation projects for states, local government agencies, private utilities, and nonprofit entities to develop alternative water sources to meet critical water supply needs to the 33 states—including my State of Hawaii—currently not covered under the Reclamation Projects Authorization and Adjustment Act of 1992.

I am delighted to support this bill, which will help provide much-needed assistance to the State of Hawaii. The rural sectors of my state, especially the Big Island of Hawaii, have suffered from serious droughts over the past few years. Sugarcane, which was previously the most important crop on the island of Hawaii, is no longer cultivated there. The sugar plantations that used to take much of the responsibility for developing and maintaining irrigation systems are gone and much of the agricultural land is vacant. The recovery of agriculture and the livelihood of farmers in rural Hawaii will depend on improved water resource development.

I welcome this valuable new program, which will support development of projects designed to provide municipal, industrial, and agricultural water supplies in an environmentally sustainable manner by conserving, managing, reclaiming, or reusing water or wastewater or by treating wastewater.

Mr. MCCOLLUM. Mr. Speaker, I rise today in support of the Alternative Water Sources Act, H.R. 1106, Water supply has become a primary concern for many of my colleagues. State and local governments are trying to resolve the issue of a growing demand for water with a limited water supply.

Water supply is an essential resource for all states, but it is particularly important to my home state of Florida. Water is the essence of Florida—it is part of our identity and the cornerstone of many individuals' livelihoods. But, as with many states, water supply has become a critical issue for my state. Between 1995 and 1996, the population of Florida increased by 260,000 residents. Year after year, this population growth pattern continues. Groundwater pumping from Florida's aquifers provides most of its public and agricultural water supply, but this strain on the aquifers is of critical concern.

A water supply shortage is projected in the coming years due to this population growth. Not only does the shortage affect Florida, but there are already 17 western states which are receiving federal assistance in creating and implementing alternative water supply sources. Intense planning has been in effect in many states to determine alternative ways to supplement the natural water supply. With so many

uses of water—drinking, agriculture, environmental restoration, recreation, just to name a few—the strain on the current water supply will soon surpass the ability of the state to provide adequate drinking water along with providing enough water for agricultural and other uses. This shortage has become more apparent in Florida in the last few years. Degradation of water quality, dehydration of wetlands, saltwater intrusion and many other symptoms have resulted from extensive groundwater pumping.

Water management districts in Florida and the Army Corps of Engineers are working on plans involving an infrastructure to capture, store, and timely use river water. This will require a state/federal partnership to build and Florida will need other innovative ways to assure long-term water availability.

Recycling and reusing wastewater is one way to help address water shortage. Treating wastewater allows states to increase their water supply for agricultural, environmental, industrial, and recreational purposes and leave the potable water for human consumption. The Alternative Water Sources Act would authorize the Environmental Protection Agency to provide $75 million in grants to states who have scientifically and environmentally sound alternative water source plans. The grants would be provided at a non-federal cost share of 50 percent. Additionally, the bill would require the approval by the House Committee on Transportation and Infrastructure or the Senate Committee on Environment and Public Works for any project where the federal cost share would exceed $3 million.

I enthusiastically support H.R. 1106, the alternative Water Source Act, and encourage my colleagues to vote in support of it. I thank Congresswomen FOWLER and THURMAN for their efforts to being this to the floor.

Mr. BORSKI. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. SHUSTER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1106

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Alternative Water Sources Act of 2000''.

SEC. 2. GRANTS FOR ALTERNATIVE WATER SOURCE PROJECTS.

Title II of the Federal Water Pollution Control Act (33 U.S.C. 1281 et seq.) is amended by adding at the end the following:

''SEC. 220. GRANTS FOR ALTERNATIVE WATER SOURCE PROJECTS.

''(a) IN GENERAL.—The Administrator may make grants to State, interstate, and intrastate water resource development agencies (including water management districts and water supply authorities), local government agencies, private utilities, and nonprofit entities for alternative water source projects to meet critical water supply needs.

''(b) ELIGIBLE ENTITY.—The Administrator may make grants under this section to an entity only if the entity has authority under State law to develop or provide water for municipal, industrial, and agricultural uses in an area of the State that is experiencing critical water supply needs.

''(c) SELECTION OF PROJECTS.—

''(1) LIMITATION.—A project that has received funds under the reclamation and reuse program conducted under the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h et seq.) shall not be eligible for grant assistance under this section.

''(2) ADDITIONAL CONSIDERATION.—In making grants under this section, the Administrator shall consider whether the project is located within the boundaries of a State or area referred to in section 1 of the Reclamation Act of June 17, 1902 (32 Stat. 385), and within the geographic scope of the reclamation and reuse program conducted under the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h et seq.).

''(d) COMMITTEE RESOLUTION PROCEDURE.—

''(1) IN GENERAL.—No appropriation shall be made for any alternative water source project under this section, the total Federal cost of which exceeds $3,000,000, if such project has not been approved by a resolution adopted by the Committee on Transportation and Infrastructure of the House of Representatives or the Committee on Environment and Public Works of the Senate.

''(2) REQUIREMENTS FOR SECURING CONSIDERATION.—For purposes of securing consideration of approval under paragraph (1), the Administrator shall provide to a committee referred to in paragraph (1) such information as the committee requests and the non-Federal sponsor shall provide to the committee information on the costs and relative needs for the alternative water source project.

''(e) USES OF GRANTS.—Amounts from grants received under this section may be used for engineering, design, construction, and final testing of alternative water source projects designed to meet critical water supply needs. Such amounts may not be used for planning, feasibility studies or for operation, maintenance, replacement, repair, or rehabilitation.

''(f) COST SHARING.—The Federal share of the eligible costs of an alternative water source project carried out using assistance made available under this section shall not exceed 50 percent.

''(g) REPORTS.—

''(1) REPORTS TO ADMINISTRATOR.—Each recipient of a grant under this section shall submit to the Administrator, not later than 18 months after the date of receipt of the grant and biennially thereafter until completion of the alternative water source project funded by the grant, a report on eligible activities carried out by the grant recipient using amounts from the grant.

''(2) REPORT TO CONGRESS.—On or before September 30, 2005, the Administrator shall transmit to Congress a report on the progress made toward meeting the critical water supply needs of the grant recipients under this section.

''(h) DEFINITIONS.—In this section, the following definitions apply:

''(1) ALTERNATIVE WATER SOURCE PROJECT.—The term 'alternative water source project' means a project designed to provide municipal, industrial, and agricultural water supplies in an environmentally sustainable manner by conserving, managing, reclaiming, or reusing water or wastewater or by treating wastewater.

''(2) CRITICAL WATER SUPPLY NEEDS.—The term 'critical water supply needs' means existing or reasonably anticipated future water supply needs that cannot be met by existing water supplies, as identified in a comprehensive statewide or regional water supply plan or assessment projected over a planning period of at least 20 years.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2000 through 2004. Such sums shall remain available until expended.''.

The CHAIRMAN. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered as read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TRAFICANT:

At the end of the bill, add the following new section:

SEC. 3. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act (including any amendment made by this Act), it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act (including any amendment made by this Act), the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

(c) NOTICE OF REPORT.—Any entity which receives funds under this Act shall report any expenditures on foreign-made items to the Congress within 180 days of the expenditure.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, I want to associate myself with the remarks of the gentleman from Minnesota (Mr. OBERSTAR), and I too want to commend Jim Wright for the many great things he has done while in the House. This is certainly one of them.

This will be taxpayers' dollars expended in America. My amendment would at least encourage that it be expended on American-made goods and products, not products from overseas.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, this amendment can properly be called the ''Traficant Buy American Amendment,'' and we support it.

Mr. BORSKI. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. BORSKI. Mr. Chairman, we would also be very pleased to support this amendment, the ''Traficant Buy American Amendment.''

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

The CHAIRMAN. Are there other amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SHIMKUS) having assumed the chair, Mr. Barrett of Nebraska, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1106) to authorize the Administrator of the Environmental Protection Agency to make grants to State agencies with responsibility for water source development for the purpose of maximizing available water supply and protecting the environment through the development of alternative water sources, pursuant to House Resolution 485, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SHUSTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on passage of H.R. 1106 will be followed by a 5-minute vote on passage of H.R. 673.

The vote was taken by electronic device, and there were—yeas 416, nays 5, not voting 13, as follows:

[Roll No. 142]

YEAS—416

Abercrombie	Deutsch	Jones (OH)
Ackerman	Diaz-Balart	Kanjorski
Aderholt	Dickey	Kaptur
Allen	Dicks	Kasich
Andrews	Dingell	Kelly
Archer	Dixon	Kennedy
Armey	Doggett	Kildee
Baca	Dooley	Kilpatrick
Bachus	Doolittle	Kind (WI)
Baird	Doyle	King (NY)
Baker	Dreier	Kingston
Baldacci	Dunn	Kleczka
Baldwin	Edwards	Klink
Ballenger	Ehlers	Knollenberg
Barcia	Ehrlich	Kolbe
Barr	Emerson	Kucinich
Barrett (NE)	English	Kuykendall
Barrett (WI)	Eshoo	LaFalce
Bartlett	Etheridge	LaHood
Barton	Evans	Lampson
Bass	Everett	Lantos
Bateman	Ewing	Largent
Becerra	Farr	Larson
Bentsen	Fattah	Latham
Bereuter	Filner	Lazio
Berkley	Fletcher	Leach
Berman	Foley	Lee
Berry	Forbes	Levin
Biggert	Ford	Lewis (CA)
Bilbray	Fowler	Lewis (GA)
Bilirakis	Frank (MA)	Lewis (KY)
Bishop	Franks (NJ)	Linder
Blagojevich	Frelinghuysen	Lipinski
Bliley	Frost	LoBiondo
Blumenauer	Gallegly	Lofgren
Blunt	Ganske	Lowey
Boehlert	Gejdenson	Lucas (KY)
Boehner	Gekas	Luther
Bonilla	Gephardt	Maloney (CT)
Bonior	Gibbons	Maloney (NY)
Bono	Gilchrest	Manzullo
Borski	Gillmor	Markey
Boswell	Gilman	Martinez
Boucher	Gonzalez	Mascara
Boyd	Goode	Matsui
Brady (PA)	Goodlatte	McCarthy (MO)
Brady (TX)	Goodling	McCarthy (NY)
Brown (FL)	Gordon	McCollum
Brown (OH)	Goss	McCrery
Bryant	Graham	McDermott
Burr	Granger	McGovern
Burton	Green (TX)	McHugh
Buyer	Green (WI)	McInnis
Callahan	Greenwood	McIntosh
Calvert	Gutknecht	McIntyre
Camp	Hall (OH)	McKeon
Campbell	Hall (TX)	McKinney
Canady	Hansen	McNulty
Cannon	Hastings (FL)	Meehan
Capps	Hastings (WA)	Meek (FL)
Capuano	Hayes	Meeks (NY)
Cardin	Hayworth	Menendez
Carson	Hefley	Metcalf
Castle	Herger	Mica
Chabot	Hill (IN)	Millender-McDonald
Chambliss	Hill (MT)	Miller (FL)
Clay	Hilleary	Miller, Gary
Clayton	Hilliard	Miller, George
Clement	Hinchey	Minge
Clyburn	Hinojosa	Mink
Coble	Hobson	Moakley
Collins	Hoeffel	Mollohan
Combest	Hoekstra	Moore
Condit	Holden	Moran (KS)
Conyers	Holt	Moran (VA)
Cooksey	Hooley	Morella
Costello	Horn	Murtha
Cox	Houghton	Myrick
Coyne	Hoyer	Nadler
Cramer	Hulshof	Napolitano
Crane	Hunter	Neal
Crowley	Hutchinson	Nethercutt
Cubin	Hyde	Ney
Cummings	Inslee	Northup
Cunningham	Isakson	Norwood
Danner	Istook	Nussle
Davis (FL)	Jackson (IL)	Oberstar
Davis (IL)	Jackson-Lee (TX)	Obey
Davis (VA)	Jefferson	Olver
Deal	Jenkins	Ortiz
DeFazio	John	Ose
DeGette	Johnson (CT)	Owens
Delahunt	Johnson, E. B.	Oxley
DeLauro	Johnson, Sam	Packard
DeLay	Jones (NC)	Pallone
DeMint	Pascrell	Sandlin
Pastor	Sawyer	Taylor (MS)
Payne	Saxton	Taylor (NC)
Pease	Scarborough	Terry
Pelosi	Schaffer	Thomas
Peterson (MN)	Schakowsky	Thompson (CA)
Peterson (PA)	Scott	Thompson (MS)
Petri	Sensenbrenner	Thornberry
Phelps	Sessions	Thune
Pickering	Shadegg	Thurman
Pickett	Shaw	Tiahrt
Pitts	Shays	Tierney
Pombo	Sherman	Toomey
Pomeroy	Sherwood	Towns
Porter	Shimkus	Traficant
Portman	Shows	Turner
Price (NC)	Shuster	Udall (CO)
Pryce (OH)	Simpson	Udall (NM)
Quinn	Sisisky	Upton
Radanovich	Skeen	Visclosky
Rahall	Skelton	Vitter
Ramstad	Slaughter	Walden
Rangel	Smith (MI)	Walsh
Regula	Smith (NJ)	Wamp
Reyes	Smith (TX)	Waters
Reynolds	Smith (WA)	Watkins
Riley	Snyder	Watt (NC)
Rivers	Souder	Watts (OK)
Rodriguez	Spence	Waxman
Roemer	Spratt	Weiner
Rogan	Stabenow	Weldon (FL)
Rogers	Stark	Weldon (PA)
Rohrabacher	Stearns	Weller
Ros-Lehtinen	Stenholm	Wexler
Rothman	Strickland	Weygand
Roukema	Stump	Whitfield
Roybal-Allard	Stupak	Wicker
Rush	Sununu	Wilson
Ryan (WI)	Sweeney	Wolf
Ryun (KS)	Talent	Woolsey
Sabo	Tancredo	Wu
Salmon	Tanner	Wynn
Sanchez	Tauscher	Young (FL)
Sanders	Tauzin	

NAYS—5

Duncan	Paul	Sanford
Hostettler	Royce	

NOT VOTING—13

Chenoweth-Hage	Gutierrez	Vento
Coburn	LaTourette	Wise
Cook	Lucas (OK)	Young (AK)
Engel	Serrano	
Fossella	Velazquez	

□ 1217

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FOSSELLA. Mr. Speaker, on rollcall No. 142 I was absent due to illness. Had I been present, I would have voted ''yea.''

FLORIDA KEYS WATER QUALITY IMPROVEMENTS ACT OF 2000

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The pending business is the question of the passage of the bill, H.R. 673, on which further proceedings were postponed earlier today.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the passage of the bill on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 411, nays 7, not voting 16, as follows:

[Roll No. 143]

YEAS—411

Abercrombie	Allen	Baca
Ackerman	Archer	Bachus
Aderholt	Armey	Baird

Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (FL)

NAYS—7

Chenoweth-Hage
Hostettler
Paul
Royce
Sanford
Schaffer
Sensenbrenner

NOT VOTING—16

Andrews
Clay
Coburn
Cook
Engel
Fossella
Gutierrez
Hall (OH)
LaTourette
Lucas (OK)
Metcalf
Serrano
Velazquez
Vento
Wise
Young (AK)

□ 1229

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FOSSELLA. Mr. Speaker, on rollcall No. 143 I was absent due to illness. Had I been present, I would have voted "yea."

GENERAL LEAVE

Mr. BASS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 673 and H.R. 1106.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska).

Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 434, TRADE AND DEVELOPMENT ACT OF 2000

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–607) on the resolution (H. Res. 489) waiving points of order against the conference report to accompany the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa, which was referred to the House Calendar and ordered to be printed.

WAIVING A REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO SAME DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY THE COMMITTEE ON RULES

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 488 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 488

Resolved, That the requirement of clause 6(a) of rule XIII for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported on the legislative day of May 4, 2000, providing for consideration or disposition of a conference report to accompany the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa, or any amendment reported in disagreement from a conference thereon.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. REYNOLDS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. All time yielded is for the purpose of debate only.

Mr. Speaker, this rule waives the provisions of clause 6(a) of rule 13, requiring a two-thirds vote to consider a rule on the same day it is reported from the Committee on Rules, against resolutions reported from the Committee on Rules.

Additionally, the rule applies the waiver of a special rule reported on or before May 4, 2000, providing for consideration or disposition of a conference report to accompany the bill, H.R. 434, to authorize a new trade and investment policy for sub-Sahara Africa, or any amendment reported in disagreement from a conference thereon.

Mr. Speaker, this is a straightforward rule to allow the House to move forward with consideration of the conference report on H.R. 434.

This measure contains no surprises and was crafted with full consultation with the minority and the appropriate chairman and ranking members of the committees involved. This procedure actually provided the committees more of an opportunity to complete important provisions in the underlying legislation by allowing them to finish their work this morning.

Mr. Speaker, both sides of the aisle would like to complete this legislation today, and we have worked closely with all parties involved to do just that.

By passing this rule today, we will allow the House to complete this very

important legislation. I hope we can move expeditiously to pass this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my colleague the gentleman from New York (Mr. REYNOLDS), my dear friend, for yielding me the customary half hour.

Mr. Speaker, the way the Africa/Caribbean trade bill is being brought to the floor has been far from perfect, and this martial law rule only makes it worse.

This bill, Mr. Speaker, was put together so quickly my colleagues would think it was relatively unimportant. But the bill for which this rule provides martial law is a very important piece of legislation. That bill will affect 54 countries in Africa, 24 countries in the Caribbean, not to mention hundreds of thousands of American workers. It should be examined very closely, Mr. Speaker, before it is considered for a vote.

But it will not be examined, Mr. Speaker. It is barely off the printer.

Some of my Republican colleagues all but admitted that they are worried that once people see how badly this bill is put together, they will run the other way.

Meanwhile, the rule will enable my Republican colleagues to bring up immediately a bill that is so hastily written, if it is exposed to the light of day for too long, it will shrivel up and die.

Mr. Speaker, no one has had time to read this bill, including the conferees. So I am basing my assumption on rumors which are all I have to go by.

As I understand it, this bill will hurt American workers, it will hurt African workers, as well as the African environment. And like so many Republican bills that have come before, it benefits the very rich, the very powerful to the exclusion of just about everyone else.

The last Caribbean-Basin-NAFTA bill lost by a two-thirds margin. The Africa bill is being called a conference report, but it did not come from a conference.

Nonetheless, today, in the wee hours of the morning, these two bills were lumped together and, with this rule, will soon be rammed down the Congress' throat.

Even the AIDS prevention provisions of the House-passed bill were dropped out of this bill.

So I urge my colleagues to oppose this martial law rule.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, to my distinguished colleague, the gentleman from Massachusetts (Mr. MOAKLEY), I would point out that, first of all, I believe that the conference report was made available on the Web at 10 o'clock on sunshine this morning.

Number two, he and I both know that there are many times that this rule would be completed after the negotiations were done by the conference committees at some 4:30 in the morning, a little longer drive for me coming in from Arlington as my colleague coming from the city.

But the fact is that, in an orderly fashion, our colleagues on the Committee on Rules came together, as being summoned by the chairman, at 10 o'clock to say they are actively in negotiations, Republicans and Democrats, both houses, to bring about a solution that will come back to the Committee on Rules and that we could convene at 10:30 in the morning upon the agreement being brought to the light of day and ample time for us to review it. And certainly my staff has brought it to me. The Committee on Rules staff brought it to us as Rules members.

We also, in completing the rule to expedite this piece of legislation today, we have taken an opportunity to give our colleagues the ability to get our work done by late today and have Friday to go back to our districts if we so desire.

And so, this is in the light of day. We have had it. It is in sunshine. And we also got a nice sleep on the Committee on Rules, which is an unusual feat here.

As the gentleman from California (Mr. DREIER), the chairman, sits to my right, I know that he will address again the procedure which we were under as we postponed the consideration while the negotiations went through until about 4:30 this morning.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina (Mr. SPRATT) the ranking member of the Committee on the Budget.

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, before voting today on the two rules for this so-called conference agreement, I urge my colleagues to think carefully about the way this legislation has been brought to the floor.

It is a stretch to call this a conference report. Conferees were not even appointed until yesterday, and their only job was to bless an agreement that had already been worked out behind closed doors and dropped on our doorstep this morning. Little information has been released to Members and staff. The only source of information available to most of us has been leaks in the press.

Now, after that process, it takes two rules, not one, two rules to bring this conference report to the floor. Why? Because, under normal House rules, a two-thirds vote is necessary to consider a rule on the same day that the Committee on Rules reports it.

To get around this sensible, longstanding, vitally important rule of the House, the Committee on Rules met late last night again and passed a rule to waive its own rules. That is the first vote. This chicanery clears the way for a second rule that allows consideration of the so-called conference report.

Now, regardless of where my colleagues stand on this bill, and it has merits and demerits and pluses and minuses, regardless of where they stand, I do not think anybody, for the sake of this institution, should vote to condone this abusive process regardless of where they stand on the bill.

A significant part of this bill is CBI-NAFTA Parity, or CBI Parity for short. That means duty-free, quota-free access to the U.S. market for apparel and textiles assembled in 25 countries in Central America and the Caribbean. They are already the second largest exporter of textiles to this country, taken as a group.

The last time CBI Parity was on the floor was in 1997. It came to the floor under suspension of the rules. We argued then that it deserved a full, fair, and open debate. And we prevailed. It went down 182–234. And, for the same reason, it ought to go down today. The easiest way to defeat it is to vote against this rule and make it come up at a later time when we have had a better chance to look at it.

This CBI Parity was bobtailed onto this conference report even though there has been no conference on it. As such, there has been no vote on it in committee not recently, certainly not on the floor, no full and open debate. And we will not have a full and open debate today because it is a conference report, we cannot amend it.

The more I learn about this agreement, the more I think there are some pluses and things in it I can be able to support. But why we are we being able to vote on major trade legislation without any language to examine, without even 24 hours to see and expect a conference report? I cannot believe this is a way we treat any legislation let alone major trade legislation that is bound to speed up job losses in the textile and apparel sector where the job losses are severe already.

These industries are suffering under a flood tide of imports, $65 billion in textile and apparel imports last year, yet they still employ hundreds of thousands of Americans.

I think we owe these folks at least a fair hearing. I think we owe these employees, these workers, a full examination of this bill that is going to have far-reaching effects on their livelihood.

Let me just say that there are three things we ought to ask when we look at this bill.

First of all, will it work? Will it do what it purports to do? Secondly, whom will it help? And thirdly, whom will it hurt?

I would urge my colleagues to consider the consequences. The complicated provisions of this bill, such as I have been able to read, in my opinion, will not be possible to enforce.

As it is, Customs is hard pressed to track whole goods in the apparel sector. This agreement will require that Customs track knit apparel formed in the Caribbean of U.S. yarn subject to a cap on the total level of square meter equivalent imports.

For Africa the agreement would require verification of the amount of regional and nonregional fabric used in the production of apparel in qualifying African countries.

How do we tell the difference?

Does anybody believe that these rules are going to be enforceable? I do not. And I have worked on textile apparel trade issues for the 18 years that I have been in Congress.

As subcommittee chairman, I have held hearings, I have visited the major ports of entry, I have talked to the Customs inspectors, I have drafted legislation dealing with labeling and transhipping. And I can tell my colleagues, the complex and arcane rules in this bill cannot be enforced.

The second question, who is it going to hurt? I will tell my colleagues who it is going to hurt. It is going to hurt about a million textile and apparel workers. They are already, as I said, suffering on an onslaught of $65 billion of imports last year. They are going to be hit even harder by imports coming in duty-free and quota-free from Africa and the Caribbean.

But these imports will not be made in Africa. They will be made in Asia, I am convinced, and shipped through Africa. They will be relabeled maybe in Africa, but they will be made in Asia.

So who gets hurt? Sixty percent of U.S. apparel workers are women. Thirty-five to 40 percent are minorities, mostly African American. That is who it will hurt.

And finally, who will it help? It is not going to help anybody. It is not going to help the Africans because of transhipment.

Read the bill, to the extent that my colleague can. Consider the process. And vote against this rule.

☐ 1245

Mr. REYNOLDS. Mr. Speaker, we have had an opportunity to hear from a few speakers on the debate that do not favor this legislation. I would now like to introduce and yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules, so he might comment on both the merits of the legislation but more importantly the merits of this rule as it comes before the House today.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I thank my friend, the gentleman from New York (Mr. REYNOLDS), for yielding me this time and for ably taking on what obviously is a challenging situation.

This was not our first choice to be here under what is considered an expedited procedures rule, but we are here because negotiations were not going on into the night; it was staff paperwork that was really being completed well into the night. And while the gentleman from Massachusetts (Mr. MOAKLEY) prides himself on working the Committee on Rules at 1:00, 2:00, 3:00 in the morning, the fact of the matter is that some of the rest of us like to sleep at that hour, but the gentleman from Massachusetts (Mr. MOAKLEY) we let him have that chance to sleep last night and obviously it ruffled his feathers so he came down to oppose this expedited procedures rule.

We are doing the right thing. As my friend, the gentleman from New York (Mr. RANGEL), knows very well, we have spent years working on this legislation. My very good friend from California (Mr. ROYCE), the chairman of the Subcommittee on Africa, and the chairman of the Subcommittee on Trade of the Committee on Ways and Means, the gentleman from Illinois (Mr. CRANE), have worked long and hard on this.

This is a very important piece of legislation. We have 700 million people in sub-Saharan Africa who are going to be impacted by this. We have a chance to improve the quality of life for the American people, and I believe that we have done the right thing in proceeding with this rule.

The reason is that last night at 10:30 when we found that we were going to be doing this and we were assured that we could first thing in the morning make available on the World Wide Web a copy of the conference report, we did just that. If we had met at 5:00 this morning, the difference would have been just a few hours, and while the gentleman from Massachusetts (Mr. MOAKLEY) would have, of course, after his morning run been at his desk at 6:00 to carefully scrutinize the conference report, most of the rest of our colleagues would most likely have waited until 10:00, which is exactly when it was filed.

So this is really a question of whether or not we are going to proceed with important legislation that my friend, the gentleman from New York (Mr. RANGEL) and the gentleman from California (Mr. ROYCE) and the gentleman from Illinois (Mr. CRANE) and many of the rest of us have strongly supported for years and years and years, or are we going to try and block it because, guess what, Mr. Speaker, this is the one chance that we had to do it. This is our opportunity to do this. Why? Because we have lots of important legislation that we need to consider in the coming weeks. We have scheduled it for this week; and unfortunately, it took a little more staff time than we would have liked overnight to get the work completed.

We have this procedure so that we can move ahead in an expeditious manner on very important legislation. So I encourage my colleagues to support both rules that we have and then to vote in favor of the conference report so that we can finally lay the groundwork for a win/win/win issue, which is going to improve the quality of life for the American people and our friends in Africa, and I believe make great strides in blazing the trail for an even more important trade vote that we are going to be having the week of May 22.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means, who is the author of the underlying bill.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for giving me this time to speak.

Mr. Speaker, certainly on most occasions if we had an expedited rule I would be on the side of having as much time for the Members to review not only the rule but the underlying legislation as possible, but when there is a situation it is either an expedited rule or no rule at all, clearly we have to take a closer look at the legislation that we are about to consider and ask why should it be expedited, if at all?

First of all, when we talk about the Caribbean Basin parity bill, the word ''parity'' means that we already had an agreement with these countries in the Caribbean. We already reached out to our neighbors in the area and said that we are living now in a decade where we do not want to talk about just aid. We want to talk about commerce. We want to talk about trade. We want to talk about support for democracies.

So when we went into an agreement with the North American Free Trade Agreement, what happened was that they got an edge on these little countries in the Caribbean and the President and the Congress said, hey, we promised to give them parity. So we are not talking about something new. We are talking about something we have been waiting for for years and that is to bring some equity in our relationship and our trade agreements with these countries in the Caribbean so that they would not be adversely affected by NAFTA.

Then, of course, when one talks about the historic legislation that we have where for the first time we are opening up our commercial doors to 48 countries in sub-Saharan Africa, this is the first time that we are really treating countries in this continent the way we treated the rest of the world. For those people who just want to scream that we are talking about Chinese goods and Asian goods and transshipment through the Caribbean, that is so unfair to say and so untrue. There are no tighter rules that could be written than those that are in the bill to stop transshipment. In addition to that, it is almost insulting to the countries that are involved that it is so in need of jobs to believe that they would give those jobs to Asia and not to the people in their country.

I am suggesting as well, and as has been said by the chairman of the Committee on Rules, we know that the mother of all trade bills will be coming to the floor, and that is normal trade relations with China. It would be sad, it would be painful, it would be disgraceful for these smaller countries, these developing countries, to get caught up into that type of debate.

I am asking not to like the rule but to vote for these rules because it is necessary that not only we expedite the rule but we expedite the passage of this legislation so that it does not get caught up with the debate that is going to come on whether or not we should give normal trade relations to China.

Mr. REYNOLDS. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. ROYCE), the chairman of the Subcommittee on Africa.

Mr. ROYCE. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me this time.

Mr. Speaker, I stand in strong support of the rules for H.R. 434, the Africa Growth and Opportunity Act.

Last summer, the House understood the importance of doing what we can to encourage greater trade between the United States and Africa. We acted by passing this historic bill. We now have a chance to send this bill to the President's desk for a signature and open a long overdue era of new relations between the United States and Africa, one that recognizes the strong economic potential of a continent of some hundreds of millions of people.

I wanted to address for just a moment the issue of transshipments. Textile and apparel imports from sub-Saharan Africa do not present increased transshipment concerns. In fact, Customs estimates its current enforcement rate as one of the highest.

I should just share that the U.S. Trade Representative tells us there are no cases, to her knowledge. The Customs publishes a list of foreign factories involved in transshipment. Its current transshipper list does not include any African countries. The reason for this substantial compliance rate on the part of the African continent for textile and apparel imports from sub-Sarahan Africa are because Africa has a small number of factories which make it easy for the U.S. Customs to monitor transshipment, and African countries are starting from a low production base; and U.S. Customs would be able to immediately detect any sudden increases in production and determine whether transshipment is occurring.

Now, this bill provides $5.9 million for additional resources for Customs enforcement efforts that have proven the most effective, which is stationing Customs personnel in sub-Sarahan countries, use of jump teams, informants, collection of production information, monitoring and analyzing import trends; and in addition the legislation also requires beneficiary countries to cooperate with U.S. Customs in enforcement against transshipment and to enact laws to prevent circumvention.

Now, what would happen if a country did not cooperate? The answer to that is very clear. They lose the benefits under the bill, so they have a very real incentive to cooperate.

What this bill does is to build a partnership between America and those African nations which are committed to reforming their economies in a way that allows for America to sell more goods and services.

In short, this legislation treats trade as a two-way street. Already the United States exports some $6 billion worth of goods and services to Africa each year.

Now, in my opinion this is not as powerful a bill as was passed by the House last July. The U.S. Trade Representative, she argues otherwise. Rosa Whitaker feels that in some way the bill is strengthened and is as good as the bill passed.

In conference, the Senate demanded additional restrictions on trade with Africa, and in my view this is unfortunate. We would have liked trade with Africa to be regulated more by markets and less by bureaucrats, especially when we are dealing with the world's poorest continent; but this conference report clearly is an important step in the right direction toward greater trade between the United States and Africa.

Many Members of Congress have worked on this legislation to develop a new trade relationship with Africa for several years. It is the result of years of hearings in the Committee on International Relations and in the Committee on Ways and Means. We have debated this bill on the floor twice. We have passed this bill twice. This bill is a solid and well-reasoned, bipartisan effort. We have done this work in our relations with Africa with, frankly, a sense of urgency, urgency because Africa could be on the brink of permanent economic marginalization. Unless we help bring Africa into the world economy and do it now, Africa will never develop; and Americans are fooling themselves if we think we could ignore an undeveloped Africa in which war and disease become commonplace.

Let us do something to help Africa help itself, and let us do something to help America. This bill is a win/win.

Let me say the Caribbean Basin Initiative Enhancement offers similar benefits to American businesses while promoting economic development and political stability in the Caribbean region. These countries are close neighbors to America, and we have a stake in their well-being. This Congress has the opportunity to make a firm step towards greater engagement with these regions, and I look forward to bringing this conference report to the floor. I appreciate the efforts of the Committee on Rules and look forward to passage of this important legislation.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for yielding the time.

Mr. Speaker, I rise to oppose this particular procedural method to try and rush this matter to the floor, and I take a bit of issue with the chairman of the Committee on Rules who stated that there was a need to bring this matter to the floor today because otherwise we would not be able to get to it with our absolutely busy schedule here in the House. For those of us that have languished these last few days as we were waiting around for any of the business of the House to come forward, we know that that is a little bit of an overstatement. In fact, it is a gross overstatement. The majority has set so much time for Members to be back in their districts. We might as well try to move the Capitol elsewhere to catch up with where the Members are in accordance with the schedule.

The fact of the matter is that what they are asking the Members to do here is to set aside their right under the rules to have time to scrutinize the bill so we can deliberate it. It might have gone up on the Internet at 10:00 this morning; but if all people needed was two hours before we debated a bill and deliberated it, then that is what our rules would call for. But our rules call for these matters to sit for a day so people can have time to look through these bills.

Regardless of what the Members on both sides of the aisle have said, some agree and some disagree with what they think may be in this bill. That is exactly the point. People need time to scrutinize the bill to see what might have been slipped in from time to time.

We understand that there was language on AIDS medical relief in here that may have been taken out, put back in with some changes, taken out again. People need to know this and debate this important issue through its final resolution.

We need to talk about whether or not the child labor language stays in the bill or is taken out and what the content of it is if, in fact, it is in.

We need to know so much more. When we are talking essentially of increasing NAFTA to 65 more countries, we need to know what about labor protections, what about the environment; and in fact, there are any number of labor groups and environmental groups who wish that there were issues to be brought up and debated, and people should have the time to look at this bill and be able to do just that.

The last speaker mentioned the fact of how favorable this bill was and the fact that we had debated this bill previous times and voted upon it and passed it twice.

□ 1300

That is only part of the bill. In the course of last evening, also put into

this bill was the Caribbean Basin Initiative, and that, in fact, was never passed by this House; that was defeated by this House by almost a ⅔ margin, because it was, in fact, an extension of NAFTA without any protections for labor and environmental concerns, in fact, without any language even in side agreements that would do that.

Mr. Speaker, I just suggest that these rules that we have here in the House to allow people 24 hours to look at these matters are there for a reason, and that there was no countervailing reason why we should set aside that rule and set aside the opportunity of Members to have the deliberative time, the time to scrutinize these provisions, so that we can all be certain that when it finally does come for debate, each and every important matter and aspect is talked about, is reviewed and has the sunlight of daytime shining on it, so when people finally come to a vote, we can talk about all the issues that are important: The number of jobs that may be lost, the number of special favors being done for some people who are going to be very wealthy off of this bill, and all of those points are important, important enough for us not to rush this through prematurely or unnecessarily.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I listened to the gentleman from Massachusetts (Mr. TIERNEY) talk about being back in our district on Friday, one of my great heros of this great House is the former speaker of Massachusetts, I am reminded every day that all politics is local. I am looking forward to being back in my community on Friday because we have the opportunity to debate this today.

I think it is important, as I share with my father, that when we debate this, it is not a Republican or a Democrat or a majority or a minority issue; this is you are either a free trader and opening up those countries, as my colleague from New York (Mr. RANGEL) pointed out, or you are a protectionist, and that is fine, and that debate should be in this hall and it will be.

And I just want to remind my colleagues how much time today we are going to have to debate this issue. We are going to debate it for an hour now on the rules to suspend and waive the rules, so we can have immediate consideration. Right after this legislation passes or is defeated, we will have a debate on the rule itself, and that will be another hour. And then we will have an hour debate on the conference report as the merits of the legislation by those who negotiated it through the wee hours of this morning had the opportunity to bring to the floor for all of our colleagues to participate in that debate, a rather lengthy debate on the issue.

And when we conclude today, we have actually had more debate on this issue, no matter where you come down on the issue, than we would have on any other normal circumstances, and we have done it in the light of day. And the chairman of the Committee on Rules has given us a night's sleep, which is an unusual occurrence if you are a Member of the Committee on Rules.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 301, nays 114, not voting 19, as follows:

[Roll No. 144]

YEAS—301

Abercrombie
Ackerman
Aderholt
Archer
Armey
Bachus
Baird
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clayton
Clement
Coble
Collins
Combest
Cooksey
Cox
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
DeMint
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goss
Graham
Granger
Green (WI)
Greenwood
Hall (TX)
Hansen
Hastings (WA)
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holt
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kasich
Kelly
Kilpatrick
Kind (WI)
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Manzullo
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (FL)
Miller, Gary
Minge
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
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Ortiz
Ose
Owens
Oxley
Packard
Pascrell
Pastor
Paul
Payne
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Regula
Reynolds
Riley
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Scott
Sensenbrenner
Sessions
Shadegg
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Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Stabenow
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
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Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Watkins
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Wu
Young (FL)

NAYS—114

Allen
Andrews
Baldacci
Baldwin
Barcia
Barrett (WI)
Blumenauer
Bonior
Boswell
Boucher
Boyd
Capuano
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Danner
DeFazio
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Doyle
Edwards
Eshoo
Etheridge
Evans
Filner
Forbes
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green (TX)
Hall (OH)
Hastings (FL)
Hayes
Hill (IN)
Hinchey
Holden
Hooley
Hunter
Jackson (IL)
John
Kanjorski
Kaptur
Kennedy
Kildee
Kleczka
Klink
Kucinich
Lantos
Lee
Lewis (GA)
Lucas (KY)
Maloney (NY)
Markey
Mascara
McDermott
McGovern
McIntyre
McKinney
Miller, George
Mink
Moakley
Nadler
Napolitano
Neal
Norwood
Oberstar
Obey
Olver
Pallone
Pelosi
Peterson (MN)
Phelps
Pickett
Price (NC)
Rahall
Reyes
Rodriguez
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Schakowsky
Shows
Skelton
Spratt
Stark
Strickland
Stupak
Taylor (MS)
Thompson (CA)
Tierney
Towns
Udall (CO)
Udall (NM)
Visclosky
Wamp
Waters
Watt (NC)
Waxman
Weygand
Woolsey
Wynn

NOT VOTING—19

Baca
Clay
Coburn
Cook
DeLay
Engel
Goodling
Gutierrez
Gutknecht
Lucas (OK)
Millender-McDonald
Serrano
Smith (MI)
Spence
Thomas
Velazquez
Vento
Wise
Young (AK)

□ 1325

Mr. HASTINGS of Florida, Ms. KAPTUR and Mr. RUSH changed their vote from ''yea'' to ''nay.''

Mr. ROTHMAN, Ms. LOFGREN and Mr. FORD changed their vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. BACA. Mr. Speaker, I was not able to be here, but had I been here I would have voted ''nay'' on rollcall No. 144.

CONFERENCE REPORT ON H.R. 434, TRADE AND DEVELOPMENT ACT OF 2000

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 489 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 489

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. UPTON). The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. REYNOLDS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), the distinguished ranking member of the Committee on Rules, pending which I yield myself such time as I may consume. During consideration of the resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 489 provides for consideration of the conference report to accompany H.R. 434, the Trade and Development Act of 2000. The rule waives all points of order against the conference report and its consideration. Additionally, the rule provides that the conference report shall be considered as read.

The Trade and Development Act of 2000 conference report offers opportunities for the United States to enhance trade with diverse nations in both sub-Saharan Africa and Caribbean Basin countries.

Mr. Speaker, the end of the Cold War has opened up sub-Saharan Africa to the world as never before. Only now are so many African nations able to start making the necessary reforms to become part of the global economy.

The new economic realities of sub-Saharan Africa must be met and encouraged by the United States. Indeed, improving the lives of the people in sub-Saharan Africa can best be accomplished by advancing the development of free market economies and representative democracies.

□ 1330

H.R. 434 is a vehicle for that economic and social progression.

The Trade and Development Act of 2000 will provide sub-Saharan countries with the tools needed to raise the standard of living in African nations, while simultaneously benefiting the United States by opening new trade and investment opportunities for U.S. firms and workers.

Additionally, the bill preserves the United States' commitment to the Caribbean Basin beneficiary countries by promoting growth and free enterprise and economic opportunity in these neighboring countries. By promoting economic opportunity in the Caribbean countries, the United States enhances our own national security interests.

The bill includes strict and effective customs procedures to guard against transshipment. Under a ''one strike and you are out'' provision, if an exporter is determined to have engaged in illegal transshipment of textile and apparel products from a CBI country, the President is required to deny all benefits under the bill to that exporter for a period of 2 years.

The conference report also focuses on eliminating certain human rights abuses by requiring all countries participating in trade with the United States under this bill to implement commitments to eliminate the worst forms of child labor in order to receive benefits.

There is no question that the creation of an investment-friendly environment in Africa and enhancing the Caribbean Basin will benefit all countries involved by attracting the capital needed to provide and promote the needed job creation and economic growth.

I would like to commend the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations; the gentleman from Connecticut (Mr. GEJDENSON), the ranking member; along with the gentleman from Texas (Mr. ARCHER), the chairman of the Committee on Ways and Means; the gentleman from Illinois (Mr. CRANE), chairman of the Subcommittee on Trade; the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means; and the gentleman from California (Mr. ROYCE), chairman of the Subcommittee on Africa.

Mr. Speaker, I urge my colleagues to support this rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS), my colleague and my dear friend, for yielding me the this time; and I yield myself such time as I may consume.

Mr. Speaker, this rule was only reported out of the Committee on Rules less than 3 hours ago. But because my Republican colleagues just enacted martial law, we are considering this rule the same day it was reported, without the typical two-thirds vote that is required for the same-day consideration.

It is not as if there is much activity on the House floor these days, Mr. Speaker. It is not as if we are working late into the night 6 days a week and we have to rush to finish. The real reason for the quick consideration is that this bill was so quickly put together that my Republican colleagues are worried that close analysis will prove fatal, and they are probably right.

Although this bill is hot off the presses, we have some idea what is in it; and, Mr. Speaker, so far it does not look too good. This bill includes an African trade bill that will neither help African workers nor American workers. It will allow the transfer of goods from China through Africa, goods that are made in unsafe conditions by workers who are drastically underpaid.

It will hurt the African environment by failing to put protections in the proper place. And it does nothing to provide serious debt relief to African countries, debt relief we have already granted to countries on other continents.

Mr. Speaker, this bill removes, removes some very strong provisions designed to stop the spread of AIDS in Africa, provisions that would have saved many, many lives.

But, Mr. Speaker, this bill does not stop at Africa. It includes a NAFTA expansion to the Caribbean countries, despite the problems that we are having with NAFTA in Mexico. And despite this devastating job loss and the environmental degradation that we have seen under NAFTA, this bill creates duty-free, quota-free access to American markets for textile and apparel assembled in Central America and also in the Caribbean islands. That is 24 countries which will be given unparalleled access to American markets and asked to provide nothing in return.

Mr. Speaker, by creating this access, we will be violating our agreement to treat all World Trade Organization countries the same. The last time this idea came up, it lost resoundingly. This time it is being shoved into a conference report along with a lot of other unrelated proposals that will put American garment workers at further risk of losing their jobs.

This bill contains trade favors for Albania. It offers normal trade relations to Kyrgyzstan, a country that did not even exist 10 years ago. The bill restores trade benefits for Israeli yarn. And another section of this bill, known as the ''carousel provision,'' was really written to please the banana growers and beef producers in their disputes with the European Union.

So, Mr. Speaker, in short, this bill is like a dozen other Republican bills before it. It is a grab bag of benefits for the very rich, for the very powerful; and it hurts everyone else.

So I urge my colleagues to oppose this rule and oppose the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me this time.

Mr. Speaker, I would like to congratulate the House for its perspicacity in casting an overwhelming vote, 300 Members supported the last rule. And I suspect we will have a similar vote on this rule and I hope on the conference report itself. It is a very good and important piece of legislation.

We as a Nation have stood for promoting economic reform and global prosperity and leadership. And leadership is a very important quality that we need to make sure we do not in any way jeopardize. People who vote against this conference report will be undermining our future economic prosperity and undermining the very important role that we play as global leader.

When we think about the issue of trade, it is obviously a very tough one. It is tough because protectionism is an easy thing to engage in. In fact, protectionism thrives on anxiety. I find that the moment people become anxious about any issue, the response is to pull up the draw bridge and say: Oh, no, we cannot proceed with this.

The other thing that I often find when we engage in these debates is that the most strident protectionists always stand up here in the well and say: I am a free trader, but not this agreement.

Mr. Speaker, I will tell my colleagues there are things in this package about which I am not absolutely ecstatic, but I do know that when we think about those 48 nations in sub-Saharan Africa; when we think about the millions of people in the Caribbean; the 700 million people in sub-Saharan Africa; and what obviously is our top priority, when we think about that single mother here in the United States of America who is struggling to make ends meet and is going to a store to buy clothing for her children, we want to make sure that the quality of life for that single mother is enhanced. That is what this is all about.

It is a win/win/win all the way around. A win for the United States of America. It is a win for those people struggling to emerge in developing nations in sub-Saharan Africa to the economic prosperity about which they dream. And it is a win for the people in the Caribbean.

So I believe, again, that we today are going to be laying the groundwork with this vote for an even more important vote that will take place the week of May 22 when we decide whether or not the United States of America is going to maintain its role as the paramount global leader, or whether or not we are going to cede that to other countries throughout the world.

So, I compliment, again, the gentleman from California (Mr. ROYCE), the gentleman from New York (Mr. RANGEL), the gentleman from Illinois (Mr. CRANE), and so many others who have been involved in fashioning this very important piece of legislation; and I urge support of the rule and the conference report itself.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means and the author of this African trade bill.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for yielding me this time.

Mr. Speaker, for those that have problems with how the bill is being expedited or the process in which the conference was held, I sure can understand those criticisms. The reason that I support the rule and support the underlying bills is because of the long wait it has taken even for this country to recognize that we should have equity in dealing with people of color in the Caribbean, in Africa. And in Africa, we never had any open agreement at all.

For those who are against trade, for those who said I feel the same way about NAFTA and will vote against China, and feel the same way about the Caribbean and Africa, I can understand that. But for those people who say that we did not do enough for Africa, I ask why do you not ask the 48 African leaders and trade ministers that have been begging for these types of encouragement for investment so that they can get out of poverty and have disposable income and can become truly partners with the United States of America.

For those who say that outsiders and rich people are the ones that are going to benefit, while they are there looking at the sand and enjoying the sun in the Caribbean, they should also see the poverty. Those people want to have more than just tourism. They want to be anchored in commerce. We can do it. We promised. We got agreements with the people in the Caribbean. They were undercut when we gave a better deal to Mexico. It is called the Caribbean Basin Initiative Parity Bill. Just make it equal with what we have given to Mexico so that we do not take away what is given to them.

So my colleagues may not like the procedure. We waited a long time. I do not know when this would come back if we did not have the bill here now. I know one thing, I feel more secure in arguing the merits of these two bills now than I would if we mixed it up with arguing the bill as to whether or not we should give permanent trade recognition to China.

Mr. REYNOLDS. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. ROYCE), the chair of the Subcommittee on Africa of the Committee on International Relations, and an integral part of making this legislation the crafted conference report that is before us.

Mr. ROYCE. Mr. Speaker, I am one of the cosponsors of this legislation, along with the gentleman from New York (Mr. RANGEL) and the gentleman from Washington (Mr. MCDERMOTT) and the gentleman from Illinois (Mr. CRANE).

Let me just say that I think that this bipartisan legislation, frankly, will not solve all of Africa's problems, but it is a big step in the right direction. It will help Africa. It will help the United States.

Mr. Speaker, what this bill will do is to grant greater access to the U.S. market to those African countries that are lowering barriers to American goods and investment, that are lowering their tariffs, that are reducing their red tape, that are promoting private property rights.

This legislation, in other words, treats trade as a two-way street between the African subcontinent and the United States. And this is why the African Growth and Opportunity Act has received such strong support from American exporters, particularly those already in Africa and aware of the many opportunities.

America's exports to Africa total some $6 billion per year, but we at this point are less than 5 percent of that market. U.S. trade with Africa, which is greater than our trade with Eastern Europe, which is greater than our trade with Russia, supports 100,000 American jobs now. Passage of this bill would likely shift to Africa textile and apparel orders currently being filled by China and other Asian producers. This means that the African Growth and Opportunity Act bears no threat to American jobs.

While modest from the American perspective, this bill promises tangible benefits as well as a psychological boost to African countries wanting to become economic partners with the United States. Realistically, the U.S. could not isolate itself from a 21st-century Africa suffering from war or environmental degradation or terrorism and drug trafficking.

□ 1345

Increasing economic opportunities for Africans is an antidote to this scenario, translating into improved educational and health services, better environmental protections, and greater social stability. I recall President Museveni saying the only way we are going to increase the tax base here is by moving toward free enterprise. That

is what they are doing in Uganda and Botswana and other countries in Africa.

Africa, much of Africa, frankly, is in dire economic straits. But, fortunately, a number of African countries have changed course. They have liberalized their economies by lifting restrictions and reducing taxes on commercial activity, permitting private ownership of assets, and becoming more welcoming of foreign investment.

This bill's passage and that of the Caribbean Basin Initiative that is now part of this bill would demonstrate that the world's most powerful economy has serious interests in Africa's economic development. This is a win for the United States. It is a win for Africa. I urge an ''aye'' vote on this rule and on final passage of the bill.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me the time.

Mr. Speaker, I rise today to support the underlying bill. I, like many of my colleagues, am not exactly enamored by the procedural pass that brought us to this point, but I think the underlying bill has tremendous merit; and, therefore, we should move forward.

This is an opportunity for us to chart a transition path from providing economic assistance to providing trade assistance to Africa, to help Africa move from economic dependence to economic self-reliance by providing a modest, and it is not a big step, but it is the right step, a modest improvement in our trade relations, modest trade opportunities for Africa.

We are going to enable them to add many of their own concerns. It goes without saying this is a regional world that has been struck by both tremendous droughts and economic hardships as well as the health problems associated with the AIDS epidemic. They need help. This bill will help them help themselves.

This is also an opportunity for the United States because we are not talking about international welfare. We are talking about benefiting the United States as well. This is a market of 700 million people in sub-Saharan Africa. To the extent that they are able to generate an engine of economic growth on their own soil, it creates opportunities and jobs for Americans. We need to pursue this specific course.

Now, my colleagues will hear people talk about transshipment and the fact that Asian countries will merely use this as a means to evade existing trade regulations and restrictions. Not true. This bill contains very tough and stringent protections against transshipment. It is movement in a right direction in another front, and that has to do with workers' rights.

In fact, unlike the China bill that we will be spending a lot of time on, this bill puts a lot of emphasis on the importance of workers' rights: The right of association, the right to organize and bargain, the right to be free of compulsory and forced labor, and minimum wage standards, things that we believe in this country, workers' rights, are an integral part of this bill. So it is a good bill on that ground.

Finally, I would like to comment on the Caribbean Basin Initiative parity because it is a question of parity. It seems to me that the Caribbean nations ought to have the same parity, be on the same economic footing as Mexico. It is not a perfect arrangement, but certainly if it is an imperfect arrangement that works for Mexico, it ought to be an imperfect arrangement that works for the Caribbean countries.

Again, we are in a situation where we are trying to help countries who are poor, considered ''Third World countries'' move forward in a noble economy. Certainly the Caribbean initiative provisions of this bill makes sense on those grounds.

So at the end of the day what we have is a bill that is not a giant step, but is a correct step that we ought to take to improve conditions in poor Third World countries by providing them trade opportunities. I believe we ought to vote for this bill, and I strongly support it.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Chairman, this is an historic day. Today we are sending a message to the nations of sub-Saharan Africa and to our partners in Central America and the Caribbean. Today we open our arms and embrace those nations in a new partnership, the hallmarks of which are economic freedom, growth, and opportunity.

By passing this legislation, we renew the hope of prosperity for millions of impoverished souls throughout the world. Under the leadership of the gentleman from Illinois (Mr. CRANE), the gentleman from Texas (Mr. ARCHER), the gentleman from New York (Mr. RANGEL), the gentleman from California (Mr. ROYCE), the gentleman from Washington (Mr. MCDERMOTT), the gentleman from Louisiana (Mr. JEFFERSON) among many, we have successfully sailed through some dangerous holes to bring forth a balanced bill with substantial benefits for some of the poorest Nations in the world.

The people of these Nations have been wracked by civil war, by ethnic conflict, by economic stagnation, every type of natural disaster that is known. We all know this is true. When tragedy occurs, we know that Americans respond generously.

But today, for the first time, we are doing something more. We are knocking down quotas to the poor. We are taking active steps to help build the strong economies and vibrant civil societies needed to overcome instability, poverty, repression.

As we enter the 21st century, we must do all we can to bring stability and growth to those parts of the world too often left behind in the economic miracle that free markets and globalism have brought elsewhere.

By passing this legislation, we are opening the door to the future. We are giving hope to those who seek jobs, those who seek a better life, those who seek freedom. In my mind, there can be no greater gift we can give.

I urge my colleagues to join with us today, help these Nations and these people to help themselves, and vote ''yes'' on H.R. 434. Let us keep the light of hope alive.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY), the ranking member of the Committee on Rules for yielding me this time, and I thank those who have had the vision to bring this series of legislative initiatives to the floor.

It was 1997 that I had the pleasure of joining the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means, and I thank his committee and the leadership of the committee, to go to Africa and look leaders of respective African Nations in the eye and tell them distinctly and directly that we, too, in America are friends of Africa. We, too, in America recognize that Africa supports the rule of law, that Africa recognizes the importance of appropriations and foreign assistance, but they also recognize the value and importance of what they have to offer on the international trade stage.

Africa is a Nation or a continent with 53 Nations of 700 million plus consumers and as well exporters. They are friends. I believe this bill, which offers to America and the continent of Africa a reasoned opportunity and a stage upon which to posture itself for the 21st century, that we can begin to exchange and interchange. We can begin to promote the very great cultural aspects of the continent as well as what we have done before with as many, many resources.

I am gratified that an amendment that I had that included the promotion of small and women-owned businesses to interact between the United States and the continent has been included. I am delighted that we also have challenged those businesses that will be doing trade with the continent to as well develop a fund that will help in the devastation of HIV/AIDS.

Am I disappointed that we did not get the vaccine language in that would have helped us? Yes. Am I disappointed that we, in fact, have not dealt with the issue of prescription drugs or HIV/AIDS? Yes.

I ask the Speaker of the House to help us move legislation dealing with the devastation of AIDS in the continent and in India and China along.

But this bill is about trade with people who want to do trade.

This bill has been long in coming, not like some bills that we are getting ready to do in the month of May that has just popped up on us. This bill has been worked by the corporate community, the African continent, the nations, the presidents, the ambassadors, small businesses, medium-size businesses.

Mr. Speaker, let me say it compliments the concept of the Caribbean Basin Initiative which also includes friends of ours who have worked to bring down the devastation of drugs.

These two bills give equal footing and equal standing to friends who have long been our supporters and who have a strong nexus to this country. Why not do business with friends? Why not say to our small businesses that the culture of the Caribbean, the culture of the African continent is to do business with small- and medium-sized businesses? Why not say to the large corporations who have been benefitting through diamonds and through gold and oil and gas, why not say to them be a stakeholder in the continent and provide them with a true trade relation and real investment to help them build schools and hospitals and improve their quality of life.

This is a good bill. I ask my colleagues to support the rule, and I thank those who have been in the leadership role on this bill. Let us move forward and ensure that we develop and submit, Mr. Speaker, the friendship that is long, long overdue. I ask support for the underlying bill and the rule.

Mr. Speaker, I rise in support of the passage of the Africa Growth and Opportunity Act Conference Report. The time has come for this historic legislation to become a reality. The legislation is good for America and it is good for Africa.

For the first time in this country's history, this Congress will have a structured framework for America to use trade and investment as an economic development tool throughout Africa and the Caribbean.

Through this legislation, the United States seeks to facilitate market-led economics in order to stimulate significant social and economic development within the countries of sub-Saharan Africa. The governments of Africa have articulated their eagerness to become fully integrated into the global marketplace, as a means of economic empowerment toward wealth creation.

I am pleased the House-Senate conference report includes amendments which I offered during last year's consideration of the House bill. The first provision encourages the development of small businesses in sub-Saharan Africa, including the promotion of trade between the small businesses in the United States and sub-Saharan Africa. This is an important victory for small business enterprises in America that are looking to expand remarkable trade opportunities in Africa.

Sixty percent of those that have died from AIDS are in sub-Saharan Africa. It is staggering number. An estimated 16 million have died since the 1980s. For these reasons, I am pleased that an additional amendment I offered was incorporated included into the conference report. The provision encourages U.S. businesses to provide assistance to sub-Saharan African nations to reduce the incidence of HIV/AIDS and consider the establishment of a Response Fund to coordinate such efforts.

This is important because HIV/AIDS has now been declared a national security threat. This provision reflects a national and international consensus that we must do everything we can to eliminate the HIV/AIDS disease.

Simply put, the bill changes how America does business with Africa. It seeks to enhance U.S.-Africa policy to increase trade, investment and economic independence. It seeks to move away from antiquated trade policies between the United States and African nations.

The passage of this bill will usher in a new era of cooperation between Americans and Africans working together as business partners. Indeed, it will provide Africa a platform to integrate more fully into the global economy.

Although this is the first such bill to specifically target the sub-Saharan Africa, the market access provisions of this bill are sensible and reasonable. The Africa trade initiative limits U.S. imports of African apparel for eight years, starting the cap at 1.5 percent of total U.S. imports and rising to 3.5 percent. This agreement is the product of meaningful negotiations over a considerable period of time. We should support this bipartisan effort.

Mr. Speaker, none of us can deny that trade and investment helped rebuild Europe after World War II. Similarly, by opening U.S. markets and encouraging receptive conditions for U.S. investments and exporters abroad, we were able to assist Asia in diversifying their export bases. As a result, they became prosperous consumers of American products. We have trade relationships with many regions of the world. The time has come to include Africa.

Elected leaders govern more than half of the sub-Saharan nations. Many sub-Saharan countries have fully embraced open government and open markets. Many are recording strong economic growth. This truly provides a wonderful opportunity to have a true trade partnership with the United States. Africa is seeking global recognition of its potential as a trading power and welcomes our cooperative role in this process.

In addition, the Caribbean portion of the trade bill provides duty-free and quota-free treatment to imports of apparel made from U.S. fabric. The 25 Caribbean Basin nations will be permitted to send a limited amount of apparel made from U.S. fabric produced in the region. This aspect of the bill will allow the countries of Central America and the Caribbean to compete effectively in the global economy. I should not hasten to add that this is an important part of the conference report that is also noteworthy in its own regard.

I salute my colleagues for their efforts in helping bring this reasonable compromise to fruition. With an estimated 700 million people—and consumers—the African market simply cannot be ignored. The Africa Growth and Opportunity Act Conference Report will provide the incentives for U.S. companies to create new infrastructures, projects, power plants.

I thank my colleagues and I urge them to support the conference report.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. UPTON). The gentleman will suspend. The Chair notes the disturbance in the gallery in contravention of the laws and the rules of the House.

The Sergeant At Arms will remove those persons responsible for the disturbance and restore order to the gallery.

Mr. REYNOLDS. Mr. Speaker, I reserve my time.

The SPEAKER pro tempore. The Chair would note that both sides have 18 minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. ROEMER).

(Mr. ROEMER asked and was given permission to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I rise today, not as a free trader, but as a fair trader in support of this agreement for the United States, for Africa, and for the Caribbean nations. I did so for three simple reasons. First of all, because, with the 48 Nations of sub-Saharan Africa, all united behind this, we now do more trade with those 48 Nations in sub-Saharan Africa than we do with all the former Soviet Union block nations combined. So it benefits the United States.

Secondly, as a fair trader, I am concerned about trade deficits and trying to get trade surpluses. Before 1984, we had a trade deficit with the Caribbean nations. Today in the year 2000, the United States of America has a $2 billion trade surplus with the Caribbean nations, and this will further benefit that surplus with fair trade.

Thirdly, I support this because there are 700 million to 800 million people in sub-Saharan Africa that can buy U.S.-made products. That means this agreement will support our goods made in our factories by our workers and support our jobs.

So I think, Mr. Speaker, this is a good fair trade agreement, opening up trade opportunities, doing more to increase our trade surplus and providing American jobs.

Finally, the principal architect, a hero of mine, the Reverend Leon Sullivan, the architect of the Sullivan Principles in South Africa supports this trade agreement. He said in the speech at the University of Notre Dame, let us give, and I paraphrase, give a hand. Let us give a hand, not with a hammer, but for a carrot, to help other nations. But primarily let us help our jobs right here in America support free trade, support fair trade, support this agreement.

Mr. REYNOLDS. Mr. Speaker, I continue to reserve my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the courtesy of the gentleman from Massachusetts.

Mr. Speaker, as an American and a Member of Congress, I am troubled by

our lack of support too often on the issues and problems of Africa. Rising today to support the conference report for H.R. 434, the African Growth and Opportunity Act, is a small but important step toward strengthening the economies of Africa, the world's poorest continent, and the Caribbean Basin.

I commend the leadership of the gentleman from New York (Mr. RANGEL), the gentleman from Texas (Mr. ARCHER), the gentleman from Illinois (Mr. CRANE), the gentleman from Washington (Mr. MCDERMOTT), and the gentleman from Louisiana (Mr. JEFFERSON). There are a number of heroes on both sides of the aisle moving this legislation forward. They are concerned and have focused, not on the areas of the greatest wealth, but on the areas of the greatest need.

□ 1400

This bill will have negligible effect on American industries, as trade with sub-Saharan Africa represents only 1 percent of total United States exports and imports; and most of these were oil and natural resources. However, this bill holds a huge potential upside for American involvement, opportunity and engagement in countries that have struggled for decades to overcome poverty.

The African Growth and Opportunity Act directs the creation of the United States sub-Saharan Africa Free Trade Area, which will increase trade between the United States and African countries. It also carries with it powerful incentives for countries to fully comply with international labor and transshipment standards.

Mr. Speaker, Africa is at a critical turning point in its social and economic development. More than half the countries in sub-Saharan Africa today are now governed by elected leaders.

This bill will provide much-needed economic growth and help all African countries to raise their living standards. This bill will aid those democratic governments by providing a solid foundation on which they can build for the future.

Our Nation's ability or perhaps our will to provide direct economic aide to Africa is limited; and this bill, however, in the long run is a better alternative to those options. There is no real short cut to prosperity and democratic society. Free markets and economic activity are the key.

This bill allows us to directly participate with and help strengthen these African and Caribbean Basin countries through global trade.

I believe it will ultimately be the best long-term investment for the American taxpayer. I urge my colleagues to support the rule and the conference report.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

(Ms. KILPATRICK asked and was given permission to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, today is a great day. As my colleagues will remember in the 105th Congress, this House did pass this bill. The Senate did not. I am happy that in the 106th Congress the Senate and the House has now acted on the African Growth bill, and I commend the gentleman from Illinois (Chairman CRANE), the gentleman from Michigan (Mr. DINGELL), the gentleman from New York (Mr. RANGEL), and the other leaders for making sure that this is brought to the House floor.

We all are a bit disturbed about the process that it did move quickly; but if my colleagues will remember, it has been on the House calendar in some form over the last couple of years. I was a cosponsor then, and I am a cosponsor today of both the African Growth bill and the Caribbean Initiative bill.

It is time. And I applaud this Congress and its leadership for making it a reality and bringing it to the House floor. I visited Africa on several occasions, as many of my Members know, many of us have. It is trade that our countries need so the children can prosper in those countries, so that the families can take care of themselves, and so that, again, we grow American's jobs on this side of the Atlantic.

Mr. Speaker, over 300,000 jobs will be created with the signing of this law in our country. Many more children in Africa and in the Caribbean nations will find housing, health care, education services that they do not now have because of the stimulation of the business opportunities that this bill will provide.

It is a wonderful opportunity to grow not only in this country, not only to satisfy and fortify our own communities and grow businesses, but to do the same across the Atlantic and in the Caribbean.

I applaud the leadership. It is the right step to take. The bill, the underlying bill must be passed. I urge my colleagues to pass the rule. Yes, we could have spend more time on it, but pass the rule and then vote for the underlying bill.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. OLVER), a member from the Committee on Appropriations.

Mr. OLVER. Mr. Speaker, everyone here recognizes that sustained economic development in sub-Saharan Africa depends upon successful trade with and foreign assistance to sub-Saharan Africa, but there is a crisis in sub-Saharan Africa. The HIV/AIDS epidemic in sub-Saharan Africa now has close to 30 million men, women and children testing positive with HIV/AIDS.

Mr. Speaker, the HIV/AIDS crisis threatens the whole workforce in sub-Saharan Africa. Mr. Speaker, to have a successful trading relationship with sub-Saharan Africa, it requires urgent and expedited action to meet the HIV/AIDS crisis.

Less than 10 months ago when we debated this bill, the House added language, which I am very pleased that was added, to place emphasis on that, that addressing the HIV/AIDS crisis must be a major component of our foreign policy in all of Africa; that significant progress in preventing and treating HIV/AIDS is necessary to sustain a mutually-beneficial trade arrangement there; and that that HIV/AIDS crisis is a global threat that merits further attention through expanded public, private, and joint efforts and through appropriate American legislation. And, as I say, I am very pleased that that language was retained.

When the bill went to the other side of the Capitol, language that strengthened the capacity for individual countries to have the ability to negotiate and determine the availability of pharmaceuticals and health care for their citizens and, particularly, with respect to the HIV/AIDS epidemic was added, and that language unfortunately has been lost from the legislation.

Mr. Speaker, some 50 Members of the House supported that language and asked that it be retained. I am very disappointed that the language is not there, because it would have greatly expanded our capacity to deal with AIDS in Africa, which dealing with that is critical if there is to be a beneficial trading relationship.

Mr. Speaker, I do intend, in spite of the disappointment that we have lost that strengthening language, the weakening of the bill in the conference, to support the bill and the conference report today. I simply want to remind my colleagues that as a sense of Congress we did recognize a year ago that the HIV/AIDS crisis in sub-Sahara Africa is a global threat and that we must greatly expand public, private, and joint public-private efforts through and beyond legislation passed by this House.

Mr. MOAKLEY. Mr. Speaker, how much time is remaining?

The SPEAKER pro tempore (Mr. UPTON). The gentleman from Massachusetts (Mr. MOAKLEY) has 9 minutes remaining, and the gentleman from New York (Mr. REYNOLDS) has 18 minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Mr. Speaker, I rise in support of this conference report.

For the past decade, the United States has been an island of economic prosperity. We have seen the greatest amount of job creation, the greatest growth in our GDP, and we have seen real wages growing twice the rate of inflation. Times do not get much better than this.

When we are in this time of economic prosperity, it is important for this country to reach out with a policy of economic engagement with many countries throughout the world who are struggling. The bill we are voting on today is clearly that policy.

We are reaching out to our neighbors in the Caribbean Basin, we are reaching out to some countries and citizens of the world who are being left behind in sub-Sahara Africa. It is this policy of economic engagement which offers them some hope.

I had the chance to visit Africa late last year, and it was distressing to see the human conditions in Africa and sub-Sahara Africa. In almost every country in Africa and sub-Sahara Africa, with the exception of one, their average life expectancy is declining because of the ravages of AIDS.

When we see average per capita GDP, annual per capita GDP that is only a few hundred dollars a year, we can understand the quality of life these folks are being denied. The policy we are voting on today is one which is going to be an improvement in that. We are going to be engaging economically, which is going to help to accelerate and enhance the development of their economy and improve their standard of living.

I would say, though, I think we came up short. We should have done more in terms of Africa, and I would also even say in the Caribbean nation initiative. It is time for us to set aside a failed policy of isolating Cuba for the last 40 years and welcome them in as we do every other Caribbean basin. It is time for us to embrace a policy of economic engagement with Cuba, as we are doing in Africa, as we are doing in China, as we are doing in Vietnam; and we will make greater progress in all those areas with advancing not only the economic interests of the working men and women in this country but advancing the cause of human rights and democracy throughout the world.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Mrs. JONES).

(Mrs. JONES of Ohio asked and was given permission to revise and extend her remarks.)

Mrs. JONES of Ohio. Mr. Speaker, I rise this afternoon in support of H.R. 434.

I come from the State of Ohio, the great State of Ohio, the city of Cleveland; and I am proud to rise in support of this piece of legislation. It is time that we allow the African countries, sub-Saharan, and Caribbean countries the opportunity to engage in trade with our own country.

Now is the time, when our country enjoys a strong economy. Now is the time, as we open our global markets to others that we open it to Africa and the Caribbean. Now is the time, when our children travel across the world, and I think about my son Mervyn, who is 16 years old, who has been to South Africa and had a chance to ride along the Zambezi River, to visit Victoria Falls, for us to engage in a trade opportunity for Africa. Now is the time, because our children, as we think about our country and we say we are diverse and the color of the faces are black and brown and yellow and red and white, that our children have the opportunity to engage in business with those who are black and brown and yellow and white as well.

But, more importantly, now is the time, since we have had the opportunity to vacation in the Caribbean, to go on safaris in Africa, to enjoy the fruits of all of their labor, that we give them an opportunity to enjoy the trade that can come about as a result of trade agreements with Africa and this country and the Caribbean and this country. Now is the time. We cannot wait.

As our economy is strong, and everyone is willing to open their doors, let us say to Africa, let us say to the Caribbean, we are ready. We have been doing all these other things together, but now is the time to engage in a real trade agreement.

I thank the gentleman for the opportunity to be heard, and I ask my colleagues to support the rule and the underlying bill.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume to close.

We have had an opportunity to bring before this House two rules that really bring the bottom line, and that is that the will of the House in its last vote said, at 301 to 114, let us move through consideration of the rule today and, ultimately, let us get under way with the debate of this legislation.

So as we look at where we are, we have Republicans and Democrats, liberals and conservatives, rural and urban America coming together in this House to put together legislation that has taken a great deal of time. All of the authors deserve a great deal of credit. The next hour of debate will finalize the debate on this legislation, and I urge passage of this rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1415

Mr. GILMAN. Mr. Speaker, pursuant to House Resolution 489, I call up the conference report on the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. UPTON). Pursuant to House Resolution 489, the conference report is considered as having been read.

(For conference report and statement, see prior proceedings of the House of today.)

The SPEAKER pro tempore. The gentleman from New York (Mr. GILMAN) and the gentleman from Connecticut (Mr. GEJDENSON) each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that the time for debate on this conference report be equally divided among and controlled by the chairman and ranking minority members of the Committee on International Relations and the Committee on Ways and Means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report now pending.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that at the close of my remarks the balance of my time be yielded to the gentleman from California (Mr. ROYCE), the chairman of the Subcommittee on Africa, and that he be permitted to yield that time to other Members.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I rise in strong support of the conference report on the Trade and Development Act of 2000, H.R. 434, which expands trade and investment with the countries of sub-Saharan Africa and the Caribbean.

First reported out of the Committee on International Relations in February of last year, it was then approved by the House on July 16 on a vote of 234–163.

I take pleasure in joining the gentleman from Connecticut (Mr. GEJDENSON); the gentleman from California (Mr. ROYCE), the subcommittee chairman; the gentleman from Texas (Chairman ARCHER) of the Committee on Ways and Means; and the gentleman from New York (Mr. RANGEL), the ranking member of that committee, in supporting this measure, the first major trade bill that we will be sending to the President since Congress approved U.S. participation in the World Trade Organization.

While I would have preferred more public debate and a slower, more orderly process than the one being used to bring this legislation to the House floor today, it is important to our national interests that this measure be enacted to meet the long-term development needs of the sub-Saharan African region and to put our overall relationship with those countries on a solid, long-term foundation.

The Committee on International Relations has taken a leading role regarding the investment and development aspects of this bill. I am pleased that agreement has now been reached with the Senate on how we can best promote the activities of the Overseas Private Investment Corporation and the Export-Import Bank in sub-Saharan Africa and that we can ensure the full participation of all of those nations which have taken steps to reform their economies and to promote private sector activities.

The trade provisions in this measure, Mr. Speaker, have only recently been finalized, and I will let the gentleman from Texas (Chairman ARCHER) and the gentleman from Illinois (Mr. CRANE), the subcommittee chairman, fully explain those provisions.

I would only observe that very careful monitoring and oversight will be needed by the Congress to make certain that preferential trade treatment for apparel imports from the Caribbean does not further displace our American workers.

And toward this same goal, I will work with my colleagues on the Committee on Ways and Means to make certain that before any benefit is granted under this act a beneficiary country is enforcing all the relevant standards of the International Labor Organization's Convention for the Elimination of the Worst Forms of Child Labor.

This conference report is, however, worthy of the support of my colleagues insofar as it provides essential support to many African nations who are only now starting to make the economic reforms that are so sorely needed for them to become part of the global economy. Barriers to foreign investment are coming down, and investor-friendly laws are being written.

It is my understanding that two-thirds of the African nations have adopted significant macroeconomic policy reforms. Enactment of this measure will make certain that trade and investment will grow between us and that these reforms can be enhanced and protected.

In brief, this measure encourages trade, not aid. It will bolster American economies. It will minimize the need for humanitarian and disaster assistance and will stimulate the private sector throughout sub-Saharan Africa.

In the final hours of the conference proceedings, a number of Senate amendments were dropped, including an AIDS drugs provision, trade adjustment assistance for farmers, and the provision regarding sugar imports.

On the other hand, I am pleased that a number of issues in contention between the two bodies were retained, including a provision regarding the so-called carousel retaliation trade provision, a special agriculture negotiator in the Office of the U.S. Trade Representative, as well as a provision that retains the preferential trade rights of firms in Israel to ship their products into the U.S. through CBI eligible countries.

In sum, Mr. Speaker, this bill is good for us, for our neighbors, and for our friends in Africa. Our Nation is the largest recipient of Africa's exports but is only the fifth largest exporter to Africa. Enactment of this measure will help to make certain that the new economic realities of Africa are going to be reflected in a new U.S. Government approach to that continent.

In the words of the dean of the African diplomatic community, ''This legislation is designed to help African countries gradually shift from dependence on foreign assistance to an approach based more on the private sector and market initiatives. The vast majority of African countries have undertaken political and economic reforms on their own in recent years. As such,'' the dean stated, ''this bill merely continues an approach that has been initiated by Africans themselves.''

Mr. Speaker, I reserve the balance of my time.

Mr. GEJDENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I ask unanimous consent that my time be controlled by the gentleman from New Jersey (Mr. PAYNE), who has done so much in this area and so many others in our committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GEJDENSON. Mr. Speaker, I would also like to commend the gentleman from New York (Mr. GILMAN), the chairman of my committee; the gentleman from California (Mr. ROYCE), the subcommittee chairman; the gentleman from Texas (Mr. ARCHER); the gentleman from Illinois (Mr. CRANE); the gentleman from Louisiana (Mr. JEFFERSON); the gentleman from Michigan (Mr. LEVIN); and the gentleman from Washington (Mr. MCDERMOTT), but particularly the gentleman from New York (Mr. RANGEL) who has played such an enormous role in this effort and has been particularly, I think, focused on the needs of every Member.

We all represent districts with our own issues before us. The gentleman from New York (Mr. RANGEL) has done an incredible job pulling this bill through. He has also paid attention to the rank and file Members on both sides of the aisle, and I want to express publicly my appreciation for him and for what his staff has done.

America has led the world in so many areas, but for lots of reasons historically we have failed to do what we have to do in Africa.

America responded proudly in Kosovo and other places, in former Yugoslavia. But in Africa, 600,000 to 800,000 people in almost a blink of an eye were annihilated in Africa without any response.

Maybe we were waiting for the colonial powers to take the lead as they have claimed they would take for so long. And maybe it was because we did not have a NATO and other assets to respond to. But we are running out of excuses. And this is a very important, maybe not as large a step as many of us had hoped for, but this is a very important step of America for fulfilling its leadership globally.

The almost half a billion people who live in sub-Saharan Africa live in some of the most difficult circumstances on our planet. It is irresponsible for us to spend so much time on almost every other continent and not face up to the realities from health care, from war, from economic deprivation that occur in Africa.

Today we take one small step. Because we all live on this planet, we all share the same inner-human responsibilities. I am proud to have played a very small role in this effort.

Mr. Speaker, I yield back the balance of my time.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased that the House today is considering the conference agreement on H.R. 434, the Trade and Development Act of 2000.

This legislation represents the culmination of better than 5 years of bipartisan work to strengthen U.S. trade relations with the sub-Saharan African countries and with our Caribbean Basin neighbors.

Sub-Saharan Africa is home to more than 10 percent of the world's population, and yet it has undergone, while a quiet and persistent evolution towards democracy and free markets, it is still de minimus virtually in terms of its access to our market and our exports to South Africa.

It provides a whale of an opportunity, over 700 million population in 48 countries. Twenty-six of those 48 countries, incidentally, have held democratic elections, and 31 of them have embarked on significant economic reforms.

Our conference agreement encourages the development of an African textile and apparel industry and regional integration through the provision of duty-free and quota-free treatment of up to 3.5 percent of the U.S. apparel imports over the 8 years of the bill for apparel articles wholly assembled in Africa and from regional fabric or fabric from any country in the case of lesser developed countries.

As the sponsor of the African Growth and Opportunity Act in the House, I believe that its enactment will establish sub-Saharan Africa as a priority in U.S. trade policy but, more importantly, will encourage countries in that region to redouble their economic and political reforms.

The first piece of legislation that I introduced when I became chairman of the trade subcommittee back in 1995 was the Caribbean Basin Trade Partnership Act, and that is an essential component of this package, too.

I think we are all aware now that when we passed NAFTA, while it was a

decided positive initiative in the right direction, one of the unforeseen consequences was handicapping our Caribbean trading partners.

In 1983, Ronald Reagan was the one that provided the initiative to try to give those Caribbean countries the opportunity for economic access here, and it was with the objective that if we promote that kind of economic growth and development, it helps to advance democratic institutions. And it worked. It was absolutely correct.

But we did, with NAFTA, we did handicap our Caribbean trading partners. Purchasing about 70 percent of their imports from the U.S., or roughly $18.5 billion annually, the Caribbean Basin countries already represent a larger export market for U.S. goods than all of China, with one-fifth of the world's population.

We are following through on our commitment to CBI region to make up for the disruptions those countries have experienced under NAFTA and also as a result of the devastating hurricanes that they suffered.

In the end, we are going to be successful in moving forward on trade when we hit this good, solid, bipartisan stride. And it is so pleasing, because Republicans cannot claim the highest priority with regard to the commitment of free trade, it was Democrats that historically were the free traders until after World War II, and Republicans were the protectionists who started lifting the blinders after World War II.

But we do have good bipartisan support and it is advancing American interests and it is in the interest of Republicans, Democrats, Independents, all of us combined.

I cannot thank my good colleagues on both sides of the aisle enough. I am talking specifically of my distinguished ranking minority member on the committee, the gentleman from New York (Mr. RANGEL); but the gentleman from Washington (Mr. MCDERMOTT); the gentleman from Louisiana (Mr. JEFFERSON); and on our side, the gentleman from California (Mr. ROYCE); the gentleman from New York (Mr. GILMAN); the gentleman from Arizona (Mr. KOLBE); the gentleman from Texas (Mr. ARCHER); and especially the gentleman from Illinois (Mr. HASTERT), our Speaker.

We have moved our country forward into a new, more peaceful and secure relationship with neighboring countries in this hemisphere and with nations in Africa, and many of whom are facing enormous obstacles to a better life. But they are headed in the right direction with the advancement of this legislation.

I urge all of my colleagues to cast an aye vote.

The first piece of legislation I introduced when I became Chairman of the Trade Subcommittee in 1995, the Caribbean Basin Trade Partnership Act, is an essential element of this package. This bill is aimed at promoting sustainable, trade solutions to the problems facing poor nations on our hemisphere.

When Congress implemented NAFTA in 1994, there was the totally unintentional result that the CBI region was put at a disadvantage with respect to Mexico, particularly in the all-important textile and apparel sector, where Mexico began siphoning off business and investment from our CBI neighbors.

Purchasing about 70 percent of their imports from the United States, or about $18.5 billion annually, Caribbean Basin countries already represent a larger export market for U.S. goods and services than China! H.R. 984 will accelerate the growth in U.S. exports to CBI countries by building on the highly successful Caribbean Basin Initiative, which has tripled exports to the region since it was passed in 1983.

Economic dislocation and distress in these small countries on our borders means only one thing for U.S. cities and towns—declining export markets, mounting illegal immigration and intensified drug trafficking. The United States has poured $19 billion in foreign assistance into the Caribbean Basin region since 1980, in order to stem the forces of Civil War and political instability in our own backyard.

We are following through on our commitment to CBI region to make up for the disruptions these countries experienced under NAFTA and as a result of devastating hurricanes.

In the end House conferees came to a meeting of minds with our Senate colleagues who had pushed for years for a protectionist, U.S. fabric only bill. While the House would have favored uniform rules for trade in North America, consistent with the NAFTA agreement, the bill does vary from this model. But our core objective of promoting trade expansion and helping to create a dynamic market in the CBI for U.S. exports was preserved. The bill looks toward the day when we can embark on mutually advantageous free trade agreements with these countries.

It is my firm belief that the couple of isolated, protectionist rules insisted on by my Senate colleagues in order to have a bill will not stand the test of time. When the initial success of this bill begins to be felt, and the large scale export opportunities for U.S. industry and workers become obvious, we will back asking for your support to go further. But this is a good start and at the same time Members can be assured we're not opening up any flood gates.

I am convinced this bill will lay the ground work for returning to an ambitious trade policy under a new President who can help us bridge our differences in the House on trade negotiating authority.

For in the end, we are only successful moving forward on trade when we hit a bipartisan stride. And as I look across the aisle at my good friends CHARLIE RANGEL, BILL JEFFERSON, and JIM MCDERMOTT, and on this side to ED ROYCE and JIM KOLBE, I want to say we put together a historic coalition on this one. Speaker HASTERT played a key role.

We've moved our country forward, into a new, more peaceful and secure relationship with neighboring countries in this hemisphere and with nations in Africa, many of whom are facing enormous obstacles to a better life.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was listening to my friend, the gentleman from Illinois (Mr. CRANE), and I am reminded that not only was this a bipartisan issue in this session of the Congress, but at first hearings that we had, Speaker Newt Gingrich testified with Jack Kemp and Andrew Young and Leon Sullivan and so many people came, fine Americans, Republicans and Democrats and liberals and conservatives, in support of opening up trade relationships with Africa.

It must make all of us feel proud today, as Members of the Congress, to be able to say that we were part of this initiative so that these smaller countries that are striving for better democracies, for improvement in the quality of health and education of their children, that have met with famine and drought, that know and see and face poverty and disease, that America is not treating them just as a basket case but reaching out and trying to transfer technology, create an atmosphere for investment, and to be able to say, commercially speaking, that we treat each other with the mutual respect that is so necessary for great nations, big or small, to work together for their constituencies and, indeed, for a better world.

☐ 1430

To have this coupled with the Caribbean Basin bill, that it was Ronald Reagan, as the gentleman from Illinois (Mr. CRANE) pointed out, that worked with Democrats to fashion a package so that we would not just consider the Caribbean as a bunch of just exciting songs but that we could see that these were people with struggling democracies that were throwing off the yoke of colonialism, that they wanted so badly to be treated with respect from their giant sister nation, the United States of America, and as a result of this to be able to see the industry that was starting there and the tremendous setbacks that they had as a result of us going into the North American Free Trade Agreement.

So President Clinton made a commitment that we would give them parity and Republicans and Democrats on the Committee on Ways and Means, the Committee on International Relations, working together and having Speaker HASTERT to come across the other side of the Capitol and meeting with the leader on that side, and coming together to keep this fragile package together, like most Members I wish we did not have to expedite this. I wish we had had more time with the rule. I wish we had had more time in the conference and certainly more time for Members to truly understand that they are playing a very, very important role, a historic role, in cementing the relationship that this country will have with these developing countries. I am proud to be an American, so proud to be a Member of this Congress, and proud to be working with Members on both sides of the aisle.

Mr. Speaker, I reserve the balance of my time.

Mr. ROYCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this conference report. Last summer, in July, the House understood the importance of doing what we can to encourage greater trade between the United States and Africa. We acted by passing this historic Africa Growth and Opportunity Act. We now have a chance to send this bill to the President's desk for his signature and open a long overdue era of new relations between the United States and Africa, one that recognizes the strong economic potential of a continent of 800 million people.

What this bill does is to build a partnership between America and those African nations which are committed to reforming their economies in a way that allows for America to sell more goods and services. In short, this legislation treats trade as a two-way street. Already the United States exports some $6 billion of goods and services to Africa each year. Some 100,000 American jobs depend on this trade, which should grow under this legislation.

Few Americans probably realize that West Africa is approaching the Persian Gulf as a source of oil for the United States. This is but one example of Africa's growing economic significance to the U.S. Fortunately, many African countries have been moving toward greater economic openness over the last decade, ditching the African socialism that wreaked economic havoc. With this bill we will be encouraging this trend and trade. The trade that occurs with America should expand and should expand significantly.

I think if we can get beyond the headlines, Africa has the potential. I have seen dynamic entrepreneurs in Africa. I have seen vibrant and prosperous African businesses, businesses which want to do business with America. That is their message. They say we are tired of doing business with the Europeans. We want to do business with Americans.

Let us take advantage of that. Let us get America into the African economic game. This legislation is good for America, and it is good for Africa.

This is not as powerful a bill in some ways as we passed through the House last July. In conference, the Senate demanded additional restrictions on trade with Africa; and in my view, this is unfortunate. We would have liked trade with Africa to be regulated more by markets and less by bureaucrats, especially when we are dealing with the world's poorest continent. That would have been better for American consumers. American exporters would have been advantaged more by that and Africa would have been advantaged more by that.

This conference report is a clear and important step in the right direction toward greater trade between the United States and Africa, and it moves us away from the odd policy of giving aid to Africa with one hand and shutting out what it manages to produce with the other. Let us move Africa away from aid to economic self-sufficiency. That is the spirit of this bill.

We need to be frank. There are many Members of Congress who have worked on this legislation, and I want to thank the chairman of the Committee on International Relations, the gentleman from New York (Mr. GILMAN); as well as the Speaker of the House, the gentleman from Illinois (Mr. HASTERT); the chairman of the Committee on Ways and Means, the gentleman from Texas (Mr. ARCHER). I want to also thank my cosponsors of this legislation, the gentleman from Illinois (Mr. CRANE), the gentleman from New York (Mr. RANGEL), and the gentleman from Washington (Mr. MCDERMOTT). We want to thank the ranking member on the Subcommittee on Africa, the gentleman from New Jersey, (Mr. PAYNE) as well. We have done this work frankly with a sense of urgency, urgency because Africa is on the brink of permanent economic marginalization.

The global economy is changing in dizzying ways. Unless we help bring Africa into the world economy and do it now, Africa will never develop. It will be hopelessly left behind, and Americans are fooling themselves if we think we could ignore an undeveloped Africa in which war and disease were commonplace.

These problems have come to America already. Let us do something to help Africa help itself and help America.

Mr. Speaker, I reserve the balance of my time.

Mr. PAYNE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of H.R. 434, the Africa Growth and Opportunity Act. I join with the rest of my colleagues who are original cosponsors of this bill and appreciate their support, the persons involved from the Committee on International Relations and the Committee on Ways and Means.

We have been dealing with this bill for some time. Last summer it was passed as H.R. 1432. We have been talking about this issue.

Finally, I am pleased that this initiative is finally moving through the House. As the ranking member of the Subcommittee on Africa and as a member of the Committee on Education and the Workforce, let me first assure the colleagues of mine who are concerned about labor that this bill will cause no American worker to lose their jobs. This is a bipartisan bill which the conferees have been meeting with and discussing on a regular basis.

I am pleased also to mention that certain labor standards which our committee dealt with, including the right to organize and the right to bargain collectively, the right to set minimum wages and the minimum work hour requirements, are in this bill; and so many people who felt that there would be an open end we have put in safeguards for those folks in the region.

This is a stark and exciting occasion. Today, I stand before Members to say that the Africa trade bill will improve the lives of many of the African people on the continent. Imagine that as we approach the new millennium a partnership has been forged, a partnership that is not based on dependency; but it is a partnership that possesses great opportunities for both the United States and for Africa.

I must also applaud the Africa diplomatic corps for their constant and unwavering faith, that they kept coming and standing together united as a real force. I think that they have now become an effective force here on Capitol Hill to hear the problems of sub-Sarahan Africa discussed here, and I would like to compliment them.

This bill will make improvements in the telecommunications sector, providing enhanced satellite and educational and scientific opportunities. Currently it takes an average of 4.6 years to get a phone in Africa, and almost double that time in some parts of sub-Sarahan Africa. This bill, H.R. 434, will help sub-Sarahan African countries by reinforcing the positive development taking place in Africa. Among other things, it will enhance market access for African goods and services. It will provide duty-free, quota-free benefits to apparel made in Africa from U.S. yarn; duty-free benefits to apparel made in Africa; promote multilateral debt relief for the poorest of the poor countries in Africa, the HIPC countries; open free markets which would otherwise be closed in Africa. It also directs the Overseas Private Investment Corporation, OPIC, to create a $150 million equity fund to assist in overseas private investment and also a $500 million infrastructure fund which will assist these countries in developing their infrastructure.

It increases authority and flexibility to provide assistance under the Development Fund for Africa, the DFA bill. So there are so many benefits that this bill has in it. It will continually go on, and it will move countries ahead. It also will establish a U.S.-African economic forum to facilitate annual high-level discussions about bilateral and multilateral trade opportunities. So this bill is very important.

President Clinton mentioned it in his State of the Union address in his partnership for growth and opportunity as he talked about a new era for Africa.

So as I conclude my remarks, let me just say that I become disturbed when we say that there are no national interests of the U.S. in Africa. A foreign trade policy that ignores a sub-Sarahan Africa with its many countries is really a distorted policy. This bill recognizes that U.S. trade, aid, and investment are all important foreign policy goals. The countries in sub-Sarahan Africa have joined the new World Trade Organization, and we are helping them to share its benefits and to meet their requirements. So, therefore, once again, I ask for unanimous support for this.

Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from North Carolina (Mr. BALLENGER).

Mr. BALLENGER. Mr. Speaker, I want today to support H.R. 434. The Caribbean Basin Initiative was proposed in 1982 by President Reagan as a way of promoting economic revitalization and trade expansion opportunities for countries in the Caribbean Basin after peace had arrived. Now, more so than ever, economic revitalization is needed, and this is particularly true of the many countries that were ravaged by Hurricanes Mitch and George a little more than a year ago.

As many of my colleagues know, my wife and I have been involved with various humanitarian and charitable activities in Central America and the Caribbean for the better part of 30 years; and during this time it has become increasingly clear to me that what these countries need most in the way of economic stabilization is investment in free trading opportunities. Providing more open trade access to our markets would not only aid the ailing economies of these countries but would help ensure greater political stability as well.

Mr. Speaker, the most controversial aspect of H.R. 434 has revolved around textiles and apparel. Being from North Carolina, these industries are particularly important to me, as are the jobs that make up these industries. My particular concern regarding this legislation has been to ensure that textiles and apparel produced in countries in Africa and the Caribbean Basin region are made of U.S. materials, if they are to receive favorable trade benefits. Without these protections, I voted against this bill last summer.

According to most textile and fiber manufacturers that I have heard from, the conference report on H.R. 434 takes necessary steps to ensure that U.S. fiber, yarn, and cotton manufacturing industries are sufficiently protected.

Mr. Speaker, I believe this bill would greatly benefit the economies of the Caribbean Basin and Africa while protecting domestic jobs, and I urge its passage.

Mr. RANGEL. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. LEVIN), the ranking member of the Subcommittee on Trade of the Committee on Ways and Means.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me this time and for being unyielding when it comes to this legislation, with many other colleagues, and I look at all of them.

There are core labor standards in this new preferential trade program. They are built into the structure of the generalized system of preferences, GSP. The present provisions of GSP are strengthened in the language as it applies to African nations. In order for them to receive the benefits under this bill, the U.S. executive must assess in providing benefits for any African country whether it, and I quote, ''has established or is making considerable progress towards establishing,'' end of quotes, protection of core labor standards, including the right to organize and bargain collectively, as the gentleman from New Jersey (Mr. PAYNE) has mentioned.

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As to the enhanced benefits granted under CBI, the GSP provisions are strengthened still further. As a result of an amendment in the Senate, our executive must use, in deciding whether to grant enhanced benefits to any CBI country, the same standard as applied, for example, to intellectual property rights, that is, the extent to which a nation is adhering to internationally recognized core worker rights.

Further, as not provided in the original House bill, the enhanced benefits may be eliminated or revoked in the event a country retreats in these vital areas. It is also noteworthy that added to the GSP system is the Harkin amendment, requiring that countries implement their commitments to eliminate the worst forms of child labor.

The present GSP system, and it is not well understood, I am afraid, has been used, suspending GSP benefits due to worker rights violations in Burma, Liberia, Maldives, Mauritania, Sudan, Syria and Pakistan. The benefits of four other nations have been suspended, then reinstated once labor reforms have been made. GSP has been used in the CBI region to bring about improvements in protection of core labor standards.

Some will argue, and they do most sincerely, that these provisions are not strong enough because compliance should be immediate and it should be complete. I believe that a reasonable transition period makes good sense, and there is no way to mathematically define what is complete. The executive in our country will always have some discretion, and it is up to those of us who care about this issue in the public and the private sector to vigorously pursue efforts to implement these provisions.

Today, the administration has sent a letter to several of us indicating ''a series of steps to ensure effective implementation of existing labor-related provisions of CBI, as well as of the enhanced provisions.'' Included is an important step of directing the USTR to create a new Office of Trade and Labor headed by an assistant trade representative. Mr. Speaker, I will include for the RECORD that letter.

Building labor provisions into rules of trade and competition between nations is something that I believe in passionately. It is necessarily a step-by-step activist process, tailoring those efforts to the particular circumstances at hand.

In NAFTA there were no enforcement provisions covering the commitments on core labor standards. I opposed it. In this case, importantly, as to Africa and as to CBI, there is enforcement, the power of unilateral action by the United States, whether to grant these benefits, and, if granted, whether to suspend enhanced benefits.

These are important steps forward on this vital issue, as part, and I deeply share the beliefs of the sponsors, of a necessary effort to increase trade, and, yes, competition, with African and Caribbean nations in the U.S., and to trying, and this is so important, to increase the partnership between the U.S. and these nations, always keeping in sharp focus the best interests of American workers and producers.

There has been indeed a long and diligent effort to follow that path in this legislation. It strives to expand trade and to pay attention to the expanded issues of trade. As a result, I rise in support.

THE WHITE HOUSE,
Washington, May 3, 2000.

Hon. SANDER M. LEVIN,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE LEVIN: Thank you for your recent letter to the President regarding the African Growth and Opportunity Act and Caribbean Basin Initiative (CBI) Enhancement legislation, H.R. 434. The Administration strongly supports enactment of this bill, which will strengthen our partnership with these two important regions and provide mutual economic benefits for years to come. We appreciate your efforts to expedite agreement on the remaining outstanding issues in the legislation, and hope Congress will conclude its work and pass a final version of the bill soon.

A closer relationship with the CBI countries should be accompanied by progress in other trade-related areas. In particular, we hope to see CBI countries make continued progress in implementing internationally-recognized worker rights, and we are prepared to undertake a series of steps to ensure effective implementation of existing labor-related provisions of CBI as well as the enhanced provisions of H.R. 434.

First, to underscore the importance of trade and labor issues and to improve policy formation and coordination with respect to them, the President is directing the United States Trade Representative (USTR), contingent upon necessary appropriations, to create a new Office of Trade and Labor. Headed by the newly-created position of Assistant United States Trade Representative for Trade and Labor, the office will be responsible for aspects of trade policy-making that involve core labor standards considerations. It will endeavor to handle these complex, interdisciplinary issues in an integrated fashion.

Second, we will work to increase the resources available to this office to fulfill its mission. In the President's FY 2001 Budget, funds were requested to hire a Labor Specialist in the Office of the U.S. Trade Representative to work on issues involving the relationship between trade and labor. A major responsibility of this staff member would be to analyze information on worker rights developed in connection with the expanded reporting described below. This information would help to form the basis, under

various trade statutes, for the development of recommendations to continue, suspend, or withdraw benefits in response to the labor rights situation in particular industries and countries.

Third, also as part of the FY 2001 Budget, the President requested additional resources to strengthen our capacity to monitor worker rights and working conditions overseas as well as provide capacity building assistance to countries seeking to implement and enforce core labor standards. We anticipate assigning additional labor attaches to the CBI region and Africa as part of this broader initiative to assess the institutional capacity of countries to implement core labor standards and provide them with technical assistance suited to their needs. These officers would also serve as a point of contact for the Office of the U.S. Trade Representative for the purpose of assessing compliance with the standards required to receive and maintain benefits under our trade laws.

Fourth, the President is instructing that reporting on compliance with the worker rights provisions of the GSP program be expanded. Section 504 of the Trade Act of 1974 requires the President to submit an annual report to Congress on the status of internationally-recognized worker rights within GSP beneficiary countries. It has been our practice to include this report in the State Department's annual human rights report. To give this reporting greater emphasis, the President is directing the State Department, in collaboration with the Office of the U.S. Trade Representative and the Department of Labor, to undertake an expanded analysis of the legal framework and implementation in GSP beneficiary countries of internationally-recognized worker rights, including the right of association, the right to organize and bargain collectively, the prohibition against any form of forced or compulsory labor, a minimum age for the employment of children, and acceptable working conditions.

The FY 2001 Budget includes a request for additional staff members for the Department of State and the Department of Labor for the purpose of improving reporting on worker rights conditions and, in particular, institutional capacity problems for which additional technical assistance might be appropriate. Among the issues the expanded reports could address are; whether the rights are recognized in the country's constitution laws, or regulations; whether the union registration procedures are fair and expeditious; whether there is a minimum wage law and laws or regulations governing occupational health and safety (with regard to workers generally or minors specifically), whether any persons or industries are excluded from any of these rights; whether child labor exists and what is being done to eliminate it; and what means exist for implementation and enforcement. Other issues relating to implementation that could be addressed include: the procedures for obtaining authorization to organize; the number of unions and unionized workers; whether and how workers are informed of their rights and employers of their obligations; whether and how the government assists workers to exercise their rights; whether and how the government investigates allegations of infringement of worker rights and penalizes violators; whether the government can prohibit strikes under certain conditions; and whether there are government inspections of workplaces to ensure compliance with labor laws such as those related to health and safety, minimum wages, and child labor.

Fifth, the Administration has used its authority to partially withdraw a country's GSP benefits in instances in which the country does not meet the criteria set out in 19 USC §§2461 and 2462, but a complete withdrawal of benefits is not deemed appropriate. This approach has two benefits: (1) it enables the U.S. Trade Representative to focus on sectors in which there are particularly serious enforcement problems; and (2) it serves to encourage the country involved to improve its compliance by not unduly penalizing the country for its problems. The Administration intends to continue to use this approach when necessary to enforce the GSP program and promote compliance. Partial revocation can penalize sectors that have failed to meet their obligations while recognizing a government's good faith attempts to meet its commitments in general. It should also be emphasized that flexibility in this matter makes it possible to avoid unnecessarily penalizing firms that meet or exceed the standards set out for extension and maintenance of benefits. It is our expectation that with the additional reporting requirements and personnel available to handle these issues, we will have more information and greater flexibility to respond even more effectively to any problems that arise in a particular workplace, sector or country. At this time, any interested party may submit a request to the GSP Subcommittee of the Trade Policy Staff Committee that additional articles be granted GSP benefits or that GSP benefits be withdrawn, suspended or limited. Under USTR regulations, any person may request to have a country's GSP status reviewed. The information required by federal regulations will be amended specifically to include compliance with labor rights in the beneficiary country.

Finally, we stand prepared to expand our assistance to countries wishing to improve their institutional capacity to implement core labor standards. Last year, in response to the Administration's request, Congress approved $20 million for the creation of a new arm of the International Labor Organization (ILO) to provide technical assistance to countries seeking to implement the ILO's landmark Declaration of Fundamental Principles and Rights at Work. In addition, the President's $10 million request for the Department of Labor to provide technical assistance on the design and implementation of labor standards and social safety net programs in developing countries. These activities are an essential component of a larger strategy to ensure that the benefits of expanded international trade and investment are shared as broadly as possible within and among nations. We are prepared to apply a share of these resources to the development of cooperative programs with our Caribbean and African partners as a means of helping them to comply with the requirements of our trade preference programs and their ILO commitments. This year, in addition to requesting a continuation of funding for the ILO's new arm, we have proposed doubling the Department of Labor's technical assistance program from $10 million to $20 million and increasing by $100 million our efforts to eliminate abusive child labor through the ILO and direct bilateral assistance. We urge you and your colleagues to support these requests as a key part of our efforts to expand trade and investment while improving respect for worker rights around the world.

And, thank you for your letter. I hope that these thoughts are responsive to the issues you raised.

Sincerely,

JOHN PODESTA,
Chief of Staff to the President.

Mr. ROYCE. Mr. Speaker, I yield 4 minutes to the gentleman from Nebraska (Mr. BEREUTER), the distinguished vice chairman of the Committee on International Relations, who also serves as the Chairman of the Subcommittee on Asia and the Pacific.

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support of this legislation. It consists of four core bills, all of which are incorporated here, and I am pleased and proud to be an original sponsor of those four bills.

Mr. Speaker, with regard to Africa, this Member believes that expanding trade and foreign investment in Africa is the most effective way to promote sustainable economic development on that continent. By providing African nations incentives and opportunities to compete in the global economy, and by reinforcing African nations' own efforts to institute market-oriented economic reforms, this legislation will help African countries create jobs, opportunities, and futures for their citizens. Only through trade and investment will Africans fully develop the skills, institutions, and infrastructure to successfully participate in the global marketplace and significantly raise their standard of living.

However, it is true that trade liberalization alone cannot remedy all of Africa's woes. That is why our overall strategy for sub-Saharan Africa is a combination of trade and aid working together. It those who in the past have criticized the Africa Growth and Development Act, charging it does not provide sufficient and immediate aid to Africa's poor or for protecting Africa's environment, this Member would remind those colleagues that just over a year and a half ago the Congress enacted and the President signed into law the bill entitled The Africa: Seeds of Hope bill.

This food security initiative, which this Member introduced, refocused U.S. resources on African agriculture and rural development, and is aimed at helping the 76 percent of sub-Saharan African people who are small farmers. This law, along with other current U.S. aid programs, such as the Development Fund for Africa, are the aid components of our African development strategy. With the passage of this conference report, which includes the provisions of the Africa Growth and Opportunity Act, the needed complimentary trade components of our Africa development strategy, then we will indeed have a balanced trade and aid program.

The Trade and Development Act of 2000 also includes another important trade measure promoting further sustainable economic development for America's neighbors to the south in the Caribbean Basin. The impact of the first Caribbean Basin initiative enacted in the 1980s has, indeed, been very positive. However, this earlier initiative is just the first step. Its success naturally warrants the further investment and trade expansion included in the CBI II to ensure the continuation of responsible economic growth and stability in this region so close to our southern borders.

This conference report also authorizes the use of carousel or rotating retaliatory tariffs as a means of increasing the pressure on trade competitors and partners, like the European Union, which failed to comply with World Trade Organization rules and discriminate against American products and services. This is an important tool for the U.S. Trade Representative when addressing trade disputes involving American agriculture in particular, given that of nearly 50 complaints filed by the U.S. in the WTO, almost 30 percent involve agriculture.

This Member also supports the inclusion of H.R. 3173, the legislation that would establish the permanent position of Chief Agriculture Negotiator in the Office of the U.S. Trade Representative into this comprehensive bill. In 1997, a temporary position of U.S. Special Trade Ambassador for Agriculture was created, and it has proven to be an effective representative of America's agriculture interests in bilateral and multilateral trade negotiations. But this is a step forward, and that is important, given the impact agriculture has on our economy.

Mr. Speaker, the Trade and Development Act of 2000 is a balanced and responsible bipartisan trade initiative. I want to thank all of my colleagues on both sides of the aisle, certainly the Committee on Ways and Means people, for their contributions. In my own committee, I want to particularly focus appreciation on the gentleman from California (Mr. ROYCE), who has been unfailing, unrelenting, in moving this bill to its passage. I thank the gentleman for that special effort.

What this bill opens is a new mutually beneficial opportunity for trade and investment in Africa and in the Caribbean Basin. It also strengthens our ability to more effectively resolve unfair trade disputes. Accordingly, this Member urges his colleagues to support the conference report.

Mr. PAYNE. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today in support of the Africa Growth and Opportunity Act, H.R. 434, and its conference report.

First let me begin by acknowledging the men who made this bill possible. Certainly this is a bill that was born of sheer determination on the part of a number of individuals. Principally those that I know of, the gentleman from New York (Mr. RANGEL), who did not allow this bill to ever see anything but light; and certainly the chairman, the gentleman from Illinois (Mr. CRANE); the gentleman from Texas (Mr. ARCHER); and, of course, the gentleman from Michigan (Mr. LEVIN), who I know worked tremendously on this bill as well. I would like to applaud their effort, because for many moments many did not believe this bill would ever get to the President's desk. Certainly here we see that sheer will can get you there.

H.R. 434 left the House in a troubled state. There were legitimate concerns raised over the rights of workers, the misuse of African nations as mere stopping points in the transshipment of textiles from other countries trying to dump their products in America.

But I am very pleased to say that H.R. 434 has come to this floor prepared for signature by the President of the of the United States. The transshipment language is the best we have seen to date, the textile provisions are improved from what came out of committee, and the labor provisions certainly face us in the direction we need to be heading with all of our trade agreements.

Our partners in Africa and the Caribbean deserve to know we are serious about our partnerships with them and that we are serious about building relationships that are meaningful and that they will work in the future. They are ready in Africa and the Caribbean, they are willing, and now they are simply waiting.

Mr. Speaker, I will support this legislation because it recognizes that it is time for us to treat the African nations and the Caribbean the way we would treat some of our partners we have negotiated with for many years, and let them know we are with them in partnership, to have them advance and become solid, meaningful trading partners with America. It is time for this bill to become law. I am pleased to be able to support this legislation.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. PAYNE. I yield 30 seconds to the gentleman from Virginia.

The SPEAKER pro tempore (Mr. UPTON). The gentleman from Virginia is recognized for 1½ minutes.

Mr. MORAN of Virginia. Mr. Speaker, I thank my friends for yielding me time.

Mr. Speaker, the United States has always had a very special relationship with the continent of Africa, and, with few exceptions, it has been a relationship of exploitation. The African people, with few exceptions, were the only people who were brought to this country, who did not come to this country of their own volition. Most people did. They were brought here to be used, and, in fact, much of our agricultural economy was built on the backs of black people.

Many of the most menial jobs that the middle and upper classes in America wanted performed were performed by people that were brought here from Africa. But, despite the obstacles, many people of African descent have risen to positions of prominence and stature and leadership. Two such people are the floor managers today, the gentleman from New York (Mr. RANGEL) and the gentleman from New Jersey (Mr. PAYNE), and many of our most respected colleagues. But if you listen to them, and they will tell you that what the continent of Africa needs and deserves is mutual respect. Mutual respect. They do not need paternalism and direct aid as much as they need the ability to sit down at the table with us as peers in an atmosphere of equanimity, to deal with Africa as a people and as a continent that we need as much as they need us, and that is what this bill does.

This bill establishes a trade policy with Africa that will be, yes, in our best interests, but will also enable the continent of Africa to develop its human and natural resources. This is a bill we need as a country. This is in our national interests. It should be a unanimous vote in favor of this bill.

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Mr. PAYNE. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Speaker, I would like to thank the gentleman from New Jersey for yielding me this time.

Mr. Speaker, I rise to speak in support of H.R. 434, the African Growth and Opportunity Act. This is a great day for America; this is a great day for Africa. I am honored to say that today the vast majority of American civic, religious, and business leaders strongly support this bill. More important, all 43 nations of sub-Saharan Africa have voiced unanimous support for this bold step towards stronger economic ties between the United States and Africa.

As we speak this afternoon, Mr. Speaker, trade ministers from 13 African countries and 3 regional cooperative communities are visiting Washington to press the urgency of this bill. They are the new African leaders who will lead that continent into the global economy as equal partners with other world regions.

I am proud to say that the United States is poised not only to support them, but to build enduring partnerships between our businesses and commercial enterprises.

Africa is rich with natural resources, but its most important resource is the ingenuity and inventiveness of its people. Africa and American entrepreneurs can now partner to strengthen businesses on both sides of the Atlantic Ocean. While trade barriers have prevented Africa from strengthening its imports to the United States, American consumers purchase Kenya bags and Kente cloth from competing world regions. The African growth and Opportunity Act now will let American businesses travel to Africa to build infrastructure, expand access to technology, and make good use of its natural resources. In return, Mr. Speaker, African businesses will have access to this vast market where the sky is the limit on consumer goods.

Mr. Speaker, I would like to thank all of my colleagues who have supported this bill every mile of the way, but a special kudos to my friend, the gentleman from New York (Mr. RANGEL), and my colleague, the gentleman

from Los Angeles, California (Mr. ROYCE).

We have never suggested that this bill would be a panacea for Africa; however, it will put Africa on the road to economic growth and prosperity for its people.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I want to thank and commend the gentleman from Illinois (Mr. CRANE), my friend, the chairman of the Subcommittee on Trade for his good work and for yielding me some time. I also want to commend the chairman of the full committee, the gentleman from Texas (Mr. ARCHER), and the ranking Democrat, the gentleman from New York (Mr. RANGEL), for their leadership on this legislation, this bipartisan effort.

If we believe in free enterprise, if we believe in democracy, we should support this legislation. This legislation is good for America, it is good for Africa, it is good for the Caribbean, for our friends in those nations as well as our friends here at home. It is a win/win for all of us. It is an agreement between the House and Senate; it is an agreement that will increase investment in Africa and in the Caribbean, as well as increase investment here in the United States.

I would note that these statistics I think really illustrate why this initiative is so important.

Let me note that 1998, the Caribbean Basin, the nations of the Caribbean Basin represent our 6th largest export market for American goods. The United States maintains a large and growing surplus in its trade with this region. In fact, in 1998, just 2 years ago, this trade surplus was almost $3 billion, up 73 percent from the previous year. Exports to the Caribbean Basin region alone support over 400,000 American export-related jobs, creating great opportunities for businesses as well as workers in Chicago as well as the south suburbs.

I would also note that trade with Africa supports 200,000 American jobs. In 1998, U.S. exports to Africa totaled over $6.7 billion supporting those 200,000 American workers. That same year, 15 States in our Union reported exports over $100 million each to sub-Saharan African nations.

This initiative is good for Africa, it is good for the Caribbean, but most of all, it is good for American workers and American business. It deserves an aye vote; it deserves a strong bipartisan show of support.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. STENHOLM).

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I rise in strong support of this legislation today.

From an agricultural perspective, the Carousel Retaliation provision will strengthen the enforcement mechanisms in the WTO dispute resolutions, such as the recent beef hormone and banana disputes. The achievement of permanent status for the U.S. Trade Representative agricultural ambassador so that agriculture will remain high on USTR's agenda is a very positive aspect of this legislation.

From a textile standpoint, one of the controversies that has been worked out, it is now supported by the National Cotton Council, the American Apparel Manufacturers Association, the National Retailers Association, the U.S. Chamber of Commerce, the Central American and Caribbean Textiles and Apparel Council, and the countries of the affected region.

The CBI parity portion of the conference report will increase demand for U.S. cotton and textile competitiveness. It enables the U.S. cotton industry to partner with Caribbean countries to produce more competitive apparel products, thus increasing demand for U.S. cotton fabric and yarn. This partnership will allow the U.S. cotton industry to compete with imports from Asia as import quotas are phased out over the next 5 years, and it is truly a partnership between Africa and the Caribbean nations, which is one of the strengths of this bill. Only apparel products that contain fabric formed with U.S.-manufactured yarn or are knit in the region using U.S. yarn are eligible for the treatment under the CBI provision.

The Africa portion under the conference report caps trade preferences on apparel from Africa and protects against import surges and transshipment, one of the strengths of the upcoming PNTR agreement with China.

In general, this promotes economic and political stability in Africa and the Caribbean nations through trade instead of aid, making the most of scarce Federal resources. It is a good bill.

Mr. PAYNE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from New Jersey for yielding me this time.

I rise again, first of all, Mr. Speaker, to indicate that this is a historic day, and I have advocated for this bill in an earlier statement on the floor of the House. But I thought it was appropriate to come this time to particularly thank those who had an enormous impact on where we are today. I would like to thank the gentleman from Illinois (Mr. CRANE) and the gentleman from New York (Mr. RANGEL), the ranking member, for putting their heads and hearts together and not allowing the road of divisiveness to keep us from this day. I would like to thank the gentleman from California (Mr. ROYCE), who has put many miles in front of him and behind him in visiting the heads of state of African nations and understanding what this legislation would mean. And then the gentleman from New Jersey (Mr. PAYNE) for his long years of steadfastness and independence on the question of Africa and its importance in our foreign policy and his leadership on this legislation. I thank him.

Mr. Speaker, we have come to this day primarily because this bill has had a long journey, very distinctive from many of the trade bills that we have brought to this floor. I think it is important for the American people to understand that this is a bill that helps our large businesses, our friends in corporate America; but it is a bill that makes a very profound statement for the poorest countries in the continent of Africa. Countries that earn less than $1,500 per capita are included in participating in this particular legislation. They are given particular incentives to be involved in a trade relationship with the United States.

Mr. Speaker, do my colleagues know what that means? It means the market women in Nigeria and Botswana, in Cote-d'Ivoire, in Ghana, in Benin can be engaged in this concept of trade. It means that the Caribbean Basin initiative gives our friends parity. It means that we answer the question of dumping and transshipment.

So for all of those who think we have fastly gotten to this floor or that we have undercut others, Mr. Speaker, let me say it has been a long journey. We can thank many people, but this does help the people of the continent of Africa; and it does help the people of the Caribbean Basin. I would hope that my colleagues will see the value of it, and I hope that they will vote for this legislation enthusiastically.

Mr. CRANE. Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. MATSUI), a senior member of the Committee on Ways and Means.

Mr. MATSUI. Mr. Speaker, I would like to thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

There are a number of Members here in this room in the House today that have played a significant role. Obviously, the gentleman from California (Mr. ROYCE) and the gentleman from Louisiana (Mr. JEFFERSON) and the gentleman from Washington (Mr. MCDERMOTT), but two people should be really singled out for their outstanding role and their tenaciousness and their leadership in making sure this bill came to the floor of the House and soon to be sent to the President, and that is the gentleman from Illinois (Mr. CRANE), the chairman of the Subcommittee on Trade of the Committee on Ways and Means, and certainly my leader on the Democratic side, the gentleman from New York (Mr. RANGEL). Without their singular leadership and without their inspiration in terms of sub-Saharan Africa, we would not have this bill before us today.

Mr. Speaker, I am going to be very brief. I just want to make a couple of

observations. One, there is 600 million people in 48 countries in sub-Saharan Africa. This is one of the areas of the world in which we have so much poverty, so much disease, AIDS; and we need to do much as a Nation, as people of the world to help these 600 million people to become consumers of the world as well as people that are living in poverty.

Just 3 weeks ago, there were many people, thousands of people that were at the steps of the Capitol demonstrating against the International Monetary Fund and the World Bank. They were saying that we should give debt relief; we should actually help these 600 million people and other people that live in poverty throughout the world.

The way to do that is to pass this legislation, to make sure that we give these 600 million people a marketplace-based type economy, so that over time they are going to want to get up like we get up as American citizens and say we want to work to earn a workable wage.

So the way to do that is to pass this bill. Those that refuse to look at this really are not sincere when they go to the steps of the Capitol and talk about debt relief. Handouts internationally do not work. It is creating a marketplace economy to give people an opportunity and a vision to be part of the world economy as we know it today.

So I thank the gentleman from New York (Mr. RANGEL), and I thank the gentleman from Illinois (Mr. CRANE).

Mr. CRANE. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Speaker, I rise today in opposition to the Trade and Development Act of 2000. This bill will imperil the livelihood of thousands of U.S. textile workers. I support policies and appreciate what is attempting to be done here today, to expand trade and open new markets for our goods. But this bill will not be considered fair.

NAFTA and other free-trade measures were pitched to us as something good for the textile industry. Last year alone, the domestic textile apparel industry lost over 180,000 jobs. This agreement represents the willingness to trade away American textile jobs for cheap goods. It creates the opportunity for massive customs fraud, turning sub-Saharan Africa into a transshipment superhighway. Customs personnel are not equipped to enforce existing rules, and there is no reason to believe that Customs has the resources to endorse the provisions in the agreement.

The agreement provides quota- and duty-free access to imports from Africa and the Caribbean. Combine this with the fact that our textile industry faced record imports last year, and we can see that our industry will be further crippled by imports.

Mr. Speaker, I ask that my colleagues look closely at this bill and vote for our workers and not for others.

Mr. PAYNE. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. OWENS).

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from New York (Mr. OWENS.)

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, today is a very important day. The leaders of the Caribbean nation as well as leaders of the African nations are welcoming this first step forward. It is a small step; but it is the first step, where Africa moves from almost point zero to significant participation in world trade. The Caribbean countries, we are going to have some adjustments which we hope are positive. But I would like to make a plea for the Caribbean countries in the Caribbean Basin that are smallest, the islands of Trinidad, Guiana, Barbados, Grenada, Dominica, Saint Lucia, and even Jamaica, which has a population of only about 3 million people.

□ 1515

They are relatively small; they deserve special targeted treatment. Consider the fact that they are buying far more from the United States, consistently, than we are buying from them. The balance of trade is not a problem there as it is with China and Taiwan and Hong Kong.

How did China, Taiwan, and Hong Kong get such a large portion of our textile market? They are so far away. Why can we not look at the problems that the small islands in the Caribbean have? We should have priority for our friends in this hemisphere who have always been loyal to us; priority for our friends in the hemisphere who purchase our goods and end up with a balance of trade that is in our favor, not in someone else's favor; priority to our friends in this hemisphere who will help us to control the drug trade.

Mr. Speaker, if we do not take care of their exports, if we are not more sensitive to their needs, then we are going to have more problems like the problem of Colombia. It is going to mushroom, because they have no choice except to seek some form of income and to become victims of the prey of drug lords.

Let us look at these nations being special to the United States and give them special sensitive preference.

Mr. Speaker, this long overdue trade legislation is filled with inadequacies and shortcomings; however, it is the consensus of the African and Caribbean leaders that this act constitutes a vital beginning. The African nations will move from a zero point to a point of significant participation. Most Caribbean nations will benefit from new arrangements which prevent the unfair trade advantages of Mexico from becoming worse. The majority of the changes and adjustments have been approved by the Caribbean leaders; however, there are some disappointing background movements.

Mr. Speaker, along with the majority of my Democratic colleagues, I rise to protest the procedure which finalized this important legislation. It must be noted that the Caribbean Basin Initiative [CBI] section of the Senate Conference report that we are voting on today was never presented on the floor of the House of Representatives. This Congress only had the opportunity to vote on the Africa Trade and Growth portion of the bill.

Behind closed doors with minimum participation of Democrats, the Republican Majority developed this ''take it or leave it'' measure. There are some reviews of the bill which state that certain countries have lost ground. According to a representative of one of the Unions: ''To the extent that it is not good for anybody and without the actual bill for close review, Latin America profits from the bill, with the Dominican Republic the only Caribbean country that gets good benefits. Jamaica, which has good laws, has lost [a portion of] its share every year from 1995 to 1998. It is no good for Caribbean countries and no good for U.S. workers.''

We look forward to the election of a democratically controlled Congress where all of the shortcomings and deficiencies that we uncover may be revised. But as of this date, the nations of Africa and the Caribbean Basin are celebrating this important first step. President Clinton has stated that he will sign this legislation into law.

BENEFITS FOR THE CARIBBEAN BASIN

Preserves the United States commitment to Caribbean Basin beneficiary countries by promoting the growth of free enterprise and economic opportunity in these neighboring countries and thereby enhances the national security interests of the U.S.

Builds on the Caribbean Basin Economic Recovery Act enacted in 1984 and extends additional trade benefits through 2008.

Extends duty-free benefits to apparel made in the Caribbean Basin from U.S. yarn and fabric.

Extends duty-free benefits to knit apparel made in the CBI from regional fabric made with U.S. yarn and knit-to-shape apparel (except socks), up to a cap of 250 million square meter equivalents, with a growth rate of 16 percent per year for the first three years; extends benefits for an additional category of regional knit apparel products up to a cap of 4.2 million dozen, growing 16 percent per year for the first three years.

Includes provisions specifically designed to promote U.S. exports and the use of U.S. fabric, yarn, and cotton.

Extends benefits to certain products from countries which are signatories to free trade agreements with the United States.

Benefits under Caribbean Basin Trade Partnership Act are conditioned on countries continuing to meet conditions including intellectual property protection, investment protection, improved market access for U.S. exports, and whether the country is taking steps to afford internationally recognized worker rights.

The bill requires that eligible countries implement strict and effective Customs procedures to guard against transshipment. Under a ''one strike and you are out'' provision, if an exporter is determined to have engaged in illegal transshipment of textile and apparel products from a CBI country, the President is required to deny all benefits under the bill to that exporter for a period of two years. Transshippers are subject to treble charges to existing textile and apparel quotas.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I first applaud the gentleman from Illinois (Mr. CRANE) for his fine leadership on many of the trade issues our committee considers.

As a Floridian, I want to underscore the importance of trade with our Caribbean Basin neighbors and also trade with Africa. I applaud it when Members of this Congress can come together in a reasonable fashion to talk about the economic realities and opportunities that are presented through these bills. I think this is the hallmark of this Congress where we can come together and discuss with some differences, yet support for the underlying measure.

This will enhance trade with Africa, which is vitally important. We also have to underscore, while we are talking about Africa, some of the most serious considerations relative to AIDS that are afflicting that region. I have worked with our former colleague, Mr. Dellums, on that issue; and I will continue to do so. But one way that we can help in Africa today is inspiring and working towards increased trade with that region.

So I again thank the gentleman from Illinois (Mr. CRANE), the chairman of the Subcommittee on Trade of the Committee on Ways and Means, for his leadership on this issue, and I urge Members to vote affirmatively for the package today.

The SPEAKER pro tempore (Mr. UPTON). The gentleman from California (Mr. ROYCE), who has the right to close, has 1 minute remaining; the gentleman from New Jersey (Mr. PAYNE) has 1½ minutes remaining; the gentleman from Illinois (Mr. CRANE) has 4½ minutes remaining; and the gentleman from New York (Mr. RANGEL) has 1 minute remaining.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not have any further requests for time. I just would like to once again thank the Members of the Committee on Ways and Means and the Committee on International Relations for the bipartisan way in which they approached not only both bills, but approached the differences that we have had with the other body.

I would like to thank the leadership on both sides of the aisle, and I certainly want to thank the staffs of the Committee on Ways and Means, more specifically of the Subcommittee on Trade, that worked well into the morning hours in order to make certain that we did have a conference report.

I want to thank the gentleman from Illinois (Mr. CRANE) for not only the courageous way he handles his personal problems but the courageous way he handled this bill and the political implications that we felt. It is indeed an honor working with him and the chairman of the committee.

Mr. Speaker, I yield back the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I thank the gentleman from Illinois (Mr. CRANE) for yielding me this time, and I take the time only to compliment everyone. Having served on the Subcommittee on Trade over these years and watching how we have tried to put a product together, especially on a bilateral basis, and the difficulty in dealing with regions that cry out most for need like the Caribbean Basin and Sub-Saharan Africa, I think all of us agree that this piece of legislation is overdue.

But having said that, it still took an enormous amount of work to put together, and I compliment the gentleman from New York (Mr. RANGEL) and most especially the gentleman from Illinois (Mr. CRANE), chairman of the subcommittee, and everybody who put in their hard work.

Mr. Speaker, this is a promising beginning. But as we all pat ourselves on the back, we have to underscore the fact that this is the beginning.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to express appreciation to all present and those who are not here on the floor right at this moment but who have been actively involved in this bipartisan effort. I cannot stress that enough. It has been such a real comfort when we have an opportunity for an overwhelming majority of us to come together on issues where we share common views and values and we are trying to advance an agenda that works to the interest of people less fortunate than ourselves.

We are doing good work here. And I want to express particular appreciation to the gentleman from New York (Mr. RANGEL), our ranking minority member on the committee. I have had the pleasure of working closely with the gentleman not just on this issue, but a number of issues; and we do have remarkable things in common. I have always viewed him as potentially salvageable.

Mr. Speaker, I am kidding. I do so much appreciate him. And I want to just thank everybody else and urge them all to cast their votes in support of this strong bipartisan effort.

Mr. Speaker, I ask unanimous consent to yield the balance of my time to the distinguished gentleman from California (Mr. ROYCE).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PAYNE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me also echo what has been said here before. Let me certainly commend the gentleman from Illinois (Mr. CRANE) and the gentleman from New York (Mr. RANGEL) for the tremendous work that they have done on this bill. Of course, the gentleman from New York (Mr. GILMAN) and the gentleman from Connecticut (Mr. GEJDENSON), our Chairs, also worked very hard.

Mr. Speaker, I would like to compliment the gentleman from California (Mr. ROYCE) for his interest and his dedication to this bill and to issues about Africa in general, as well as the gentleman from New York (Mr. HOUGHTON) and the gentleman from Louisiana (Mr. JEFFERSON). But let me make special tribute to the gentleman from Washington (Mr. MCDERMOTT), a classmate of mine, who came in and is the one who came up with the idea and said something had to happen and moved it forward. So I would like to make special acknowledgment to the gentleman from Washington who has done an outstanding job in bringing this idea forth.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from California (Mr. ROYCE) has 3 minutes remaining.

Mr. ROYCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to join the gentleman from New Jersey (Mr. PAYNE) in recognizing the work that the gentleman from Washington (Mr. MCDERMOTT) over the last 6 years has put in conceptually to this effort. We have thanked the ranking members, but let me also thank the staff of the Committee on International Relations and the staff of the Committee on Ways and Means for their work on this bill.

Mr. Speaker, let me say as chairman of the Subcommittee on Africa, I think we are on the verge of making a very significant achievement for this Congress and for the future of America's relationship with Africa. I think the African and Caribbean bills are going to play a critical role in helping to bring Africa and the Caribbean nations further into the world economy, which I believe is good not only for those countries, but good for the United States.

I believe that this bill will not cure all of the ills that we have heard about today, some of the problems in Africa; but I think it will help spur economic growth in Africa. And unless African economies grow, then all our concerns about Africa, whether it is poverty or environmental degradation or disease, those are guaranteed to grow.

I think the Caribbean Basin initiative in this bill offers benefits to American businesses. I think it builds on the $19 billion in exports that the U.S. sent to Caribbean countries last year. And as we have heard, U.S. exports to that region have tripled as a result of the enactment of CBI in 1984.

With both Africa and the Caribbean, this bill reduces duties, which is a benefit to the American consumer. And because it helps build political and economic stability, the Caribbean Basin Initiative enhancement in this report will contribute to U.S. national security. The Caribbean countries are close neighbors to America, and we have a big stake in their well-being.

Mr. Speaker, let me say the African Growth and Opportunity Act will help build critical and economic stability in Africa, and that is in our strategic national interest.

We need to pass this conference report. We need to do what is good for Africa, do what is good for the Caribbean nations, and what is good for America. I urge a ''yes'' vote from my colleagues.

Ms. PELOSI. Mr. Speaker, in recent months, the HIV/AIDS epidemic in Africa has finally begun to receive the international attention that a crisis of this magnitude deserves. Over 23 million Africans are infected wtih HIV, and it is projected that a quarter of southern Africa's population will die of AIDS. These staggering numbers, and the political and economic instability that they are creating, have prompted the National Security Council to designate HIV/AIDS in Africa as a security threat to the United States.

Although I am supporting the African Growth and Caribbean Initiative Act, my enthusiasm is mixed with disappointment that we have missed this important opportunity to take substantive steps to address this disease. Two HIV/AIDS provisions were excluded from the conference report by the majority. The inclusion of these two provisions in this legislation would have improved access to affordable AIDS drugs and strengthened the international effort to develop an AIDS vaccine. Efforts to treat and eventually eradicate HIV/AIDS are vital to Africa's economic future. It is no exaggeration to say that HIV/AIDS is decimating the African work force, and the African economic progress that this legislation is designed to support is being placed in jeopardy.

Economic ties between the U.S. and Africa have been growing steadily this decade. African economic development creates new markets for U.S. products and provides resources that this country needs. However, the African economic development that we benefit from in this country is directly threatened by the AIDS eidemic. Professor Jeffrey Sachs, Director of the Harvard Institute for International Development, has stated that ''a frontal attack on AIDS in Africa may now be the single most important strategy for economic development.'' It is estimated that over the next 20 years AIDS will reduce by a fourth the economies of sub-Saharan Africa.

AIDS undermines economic development in several ways. HIV strikes individuals during their most productive years. The disease erodes productivity by increasing absenteeism, and it raises the cost of business through increased need for health benefits and increased costs of recruiting and training new employees as current employees die or become disabled. A 1999 South African study found that the total costs of benefits in that country will increase from 7 percent of salaries in 1995 to 19 percent by 2005 due to AIDS. Some companies are already hiring two employees for every one skilled job because of the likelihood that one will die from AIDS.

I had hoped that two HIV/AIDS provisions would be included in the conference report. First, Senator KERRY and I have proposed a tax credit for qualified research and development costs associated with research on vaccines for malaria, tuberculosis, or HIV. The tax credit equals 30 percent of total annual qualified R&D investments. In addition, smaller companies could choose to waive the credit and pass it on to their equity investors who finance R&D on one of the priority vaccines. A vaccine is our best hope to bring this epidemic under control and we must accelerate research efforts in order to have any realistic chance of successfully developing a faccines in the near future.

Second, Senators FEINSTEIN and FEINGOLD proposed a provision designed to improve the access of African nations to generic equivalents of expensive HIV/AIDS drugs. Many years of work and significant federal research dollars have gone into the development of the combination drug therapies that are extending the lives and improving the quality of life for so many people living with HIV/AIDS in this country. We have a moral responsibility to ensure the widest possible access to these treatments and new therapies as they are developed. The benefits that come from our federal investments in scientific and medical research are not meant to be restricted to the wealthy.

The inclusion of these HIV/AIDS provisions would have contributed significently to vital efforts to treat and evenually halt HIV/AIDS, thereby ensuring a healthier and more prosperous future for the African continent. I hope that the Congress will move swiftly to address this crisis by doing everything we can to treat, educate, prevent, and eventually eradicate HIV/AIDS in both the development and the developing world.

Mr. HASTERT. Mr. Speaker, I rise in support of this conference report and I urge my colleagues to support it as well.

The American people often look to Congress in the hope that we can accomplish things in a bi-partisan fashion. With this bill, we have.

My colleagues on both sides of the aisle, especially Mr. ARCHER, Mr. RANGEL, Mr. CRANE, and Mr. ROYCE, worked very hard on this legislation and should be commended for their efforts.

Today's conference report gets to the very heart of compassionate conservatism. By promoting expanded trade, the United States will be minimizing the need for foreign aid and disaster relief. We will be helping other nations become more self-sufficient.

This Africa-CBI bill is great news for all parties involved. For our friends in Africa and the Caribbean, this bill will help increase the stability of their nations, and help their economies grow.

For the United States, this bill means an expanded market for American manufactured goods and agricultural products.

It was over 200 years ago that our founding father Ben Franklin said that, ''No nation was ever ruined by trade.'' Ben Franklin was right. Nations aren't ruined by trade; they are strengthened by trade.

With this bill, we will be exporting more than just our products, we will be exporting our ideals of freedom and democracy. That means a stronger, more stable Africa. And safer, stronger Caribbean nations.

By promoting trade and investment in other nations, we are making the world a more secure place.

There are 700 million people living in Subsaharan Africa and 58 million people living in the Caribbean. We must engage these citizens of the world, and help them participate in the new economy.

The new economy is based on world-wide trade and the free flow of ideas. By passing this conference report, we will take another crucial step down the road to an integrated society and world.

I hope my colleagues will join me in supporting this important bi-partisan, legislation. It is in the best interest of our nation and our world.

Mrs. CHRISTENSEN. Mr. Speaker, I rise today in strong support of H.R. 434, the Africa Growth and Opportunity Act. Today, in the Africa and Caribbean Trade Bills, this body has the potential to make a great contribution not only to the people and the countries of Africa and the Caribbean, but for those of us right here in our own country.

These bills have been a long time coming, but I am pleased to join my colleagues in strongly supporting them.

As you know, I am not only a proud person of African descent, but my district is a part of the English speaking Caribbean. Although the Virgin Islands is part of the United States, and some of the issues we hoped to have addressed within the body of this legislation are not included, the benefits that the increased trade will bring to the region will benefit us as well.

I want to take this opportunity to applaud Congressman RANGEL and Congressman CRANE for their hard work, persistence and diligence in bringing these bills to the floor today.

I ask all of my colleagues to fully support H.R. 434 and vote yes.

Mr. MANZULLO. Mr. Speaker, this legislation will for the first time focus the attention of the U.S. government on a comprehensive trade strategy towards Africa. We have neglected this continent too long only to the benefit of their former European colonial powers. With the anemic growth in our exports, the U.S. needs to look at every possible market opportunity to improve trade relations.

Many may be surprised to learn that U.S. exports to Africa have been growing at a steady rate. Exports from Illinois to South Africa grew from $269 million in 1995 to $413 million in 1998—a 54 percent increase! Illinois exports more to South Africa than it does to Spain or India.

The specific African trade picture for Rockford is even better. Exports from Rockford to all of Africa almost doubled, going from $2.9 million in 1995 to $5.1 million in 1998. Some of these exports came from companies like Etnyre of Oregon, which sold asphalt making equipment to the Ivory Coast and Kenya; Newell's International Division in Rockford, which sold office and home products to Zimbabwe and South Africa; Wahl Clipper of Sterling, which sold barbershop hair clippers to South Africa and Nigeria; and Taylor of Rockton, which sold soft serve ice cream machines to South Africa and Nigeria.

African trade also extends to McHenry County—RITA Chemical of Woodstock sold industrial inorganic chemicals for the cosmetic industry in South Africa and Motorola of Harvard, a manufacturer of cellular phones that are used even in the remotest parts of Africa.

This legislation will further increase export opportunities from companies like these all across America by re-orienting the trade programs and policies of the U.S. government towards Africa.

Jane Dauffenbach, President of Aquarius Systems, located in North Prairie, Wisconsin, testified before my Small Business Exports

Subcommittee last year about the cut-throat behavior of other foreign governments in trying to win export opportunities in Africa for their local companies. Aquarius Systems manufacturers aquatic weed harvesters. Ms. Dauffenbach testified how the Japanese and the Israeli governments almost snatched a huge export sale to Kenya from her company. It was only because she had a World Bank contract, backed by political risk insurance purchased from the Overseas Private Investment Corporation (OPIC), that she was able to win and complete the sale. She said, ''(s)imply put, Aquarius systems is not competing with foreign companies. We are competing with foreign governments * * * It is imperative that the financing and insurance programs from OPIC exist so that we have the necessary tools available to accomplish our goals.'' H.R. 434 formalizes an investment fund for Africa within OPIC to further enhance export opportunities for companies all across America like Aquarius Systems.

This bill represents the tip of the iceberg of what can happen if we build better trade relationships with the 48 countries of sub-Saharan Africa. All these companies agree that if there is a more active effort on the part of the U.S. government to help develop and open the markets in Africa, they would benefit through increased sales.

While this bill is not a cure-all for our trade deficit or for solving all of Africa's problems, it represents one beginning step in the right direction. It has the support of our exporting community. It has the support of all—I repeat—all of the sub-Saharan African countries. It's a win-win for all sides. I urge you to join them in supporting this legislation.

Mr. WATTS of Oklahoma. Mr. Speaker, I rise today in strong support of the conference report for H.R. 434, the African Growth and Opportunity Act and Caribbean Basin Initiative. This much-needed legislation is a first and necessary step to initiate a new era of trade and investment relations between the United States and the 48 nations of Sub-Saharan Africa and the 25 countries of the Caribbean.

Mr. Speaker, for decades we have funded a variety of foreign aid programs to assist lesser- and under-developed countries like those in Sub-Saharan Africa and the Caribbean, where far too many people continue to live in deep and unrelenting poverty. This aid has failed to provide the necessary catalyst to create jobs and provide a higher standard of living for the people in these regions.

Just as in helping poor communities in the United States, I firmly believe that in the long run private sector investment will lead to jobs, economic development and prosperity. As long as economic opportunity is denied, self-sufficiency is impossible. H.R. 434 provides that missing spark of opportunity that is so essential to building economic independence. And, without this bill, the people of Sub-Saharan Africa and the Caribbean will continue to lack the necessary tools to provide a better future for themselves and their children.

Mr. Speaker, this bill is a win-win situation for Americans. Increased economic prosperity will help support and strengthen the democratic institutions emerging in Sub-Saharan Africa, and a stronger, more stable region will lead to increased international security and peace. And, through H.R. 434, economic opportunity will be available to people whose governments are committed to establishing and moving toward market-based economies.

At the same time, this bill also creates new trade and investment opportunities for American exporters and workers. Developing economies in Africa and the Caribbean are natural markets for U.S. products and services, and until now those markets did not have the means to develop and mature into thriving economies with consumers clamoring for American-made products.

Mr. Speaker, H.R. 434 is the first step to creating American trade partners who can develop into allies to combat terrorism, international crime and drug trafficking, as well as help fight the spread of disease that continues to plague far too many in the under-developed world. I urge my colleagues to join me in enthusiastic support of this important legislation.

Mrs. MEEK of Florida. Mr. Speaker, I rise in support of H.R. 434—the African Growth and Opportunity Conference Report. The constituents in my district support efforts by this Congress to ease the burden of poverty in the Caribbean by solidifying a strong growing market for U.S. exports to the Caribbean Basin Initiative (CBI) region.

This bill encourages African and Caribbean countries to continue economic reforms while providing essential opportunities for their citizens. This legislation provides duty free, quota free treatment for apparel made in 24 countries of the Caribbean Basin Initiative. This will allow the countries of Central America and the Caribbean to compete on an equal basis with Mexico under NAFTA.

Passage of this bill will help raise the standard of living for people in the Caribbean and Africa and help create new economic ties between the United States, the Caribbean and Africa. Private sector trade and investment will create new markets for U.S. exports of goods and services. Fostering economic growth in Africa and the Caribbean is critical to raising the standard of living of the people living in Africa and the Caribbean. By assisting U.S. exporters in expanding their access to the African and Caribbean markets, we are opening up a market for 800 million potential new consumers for American goods and services.

The United States has moral, political, strategic, and economic interests in supporting and helping to facilitate the economic transformation of African and Caribbean countries. Most of the Caribbean and sub-Saharan Africa's economies are small and fragile and lag behind the rest of the world in almost everything.

However, sub-Saharan Africa holds tremendous importance to the United States on a number of fronts. On the most basic level, its 48 nations encompass tremendous natural resources and a land area and population approximately three times that of the United States. Africa is also important to the United States because we have 33 million people of African descent and more than one million first and second generation Africans now living in the United States.

Strategically, the United States has a strong interest in helping to build a strong, stable, and prosperous Africa. The continent of Africa is one of the world's great emerging economic opportunities. Already, in 1998, the United States exported $6.5 billion in goods to sub-Saharan Africa, supporting more than 100,000 jobs in the United States. Figures on export services reached $3.6 billion in 1997. There is no doubt that Africa is important to the United States.

In order to be attractive to foreign investors, Africa must expand trade and continue to deepen reform. We must not allow this great continent to lag behind the rest of the world. There is no doubt that this bill will aid in our efforts to ensure a strong Africa and help our African brothers and sisters. I urge my colleagues to support this bill.

Mr. BENTSEN. Mr. Speaker, I rise in support of the conference report for H.R. 434, the African Growth and Opportunity Act. This bipartisan legislation includes important provisions expanding trade opportunities with the nations of sub-Saharan Africa and the Caribbean Basin.

Enactment of the Africa Growth and Opportunity Act and the Caribbean Basin Initiative is crucial to both the development of U.S. trade to U.S. foreign policy goals in both regions. The provisions in the Africa-CBI conference report will provide significant benefits for sub-Saharan Africa and will help create incentives for new business and partnerships between Africa and the United States. Passage of this legislation will open up a market of 800 million potential new consumers for American goods and services. Perhaps most importantly, the Africa-CBI legislation will establish a solid foundation on which we can build a closer U.S.-African trading relationship and solidify trade ties with the CBI region.

The Caribbean portion of the Conference Report provides duty-free and quota-free treatments to imports of apparel made from U.S. fabric. The 25 nations in the Caribbean Basin will also be permitted to send a limited amount of apparel made from fabric produced in the region. These provisions will allow substantial growth in the Caribbean Basin's exports to the U.S. and has been carefully crafted to avoid threatening U.S. jobs or abusing basic labor standards.

This legislation would also provide the 48 sub-Saharan African nations with the necessary tools to sustain long-term economic growth and to compete in global markets. Passage of this legislation is important to strengthen the capacity of U.S. programs so that American business can compete in Africa's expanding market. The Africa-CBI bill would institute a comprehensive trade and investment policy for the U.S. and sub-Saharan Africa, and establish a transition path from development assistance to economic self-reliance for African countries committed to economic and political reform. The Africa-CBI bill also provides for an annual high-level forum to discuss economic and political reform. The Africa-CBI bill also provides for an annual high-level forum to discuss economic and trade issues, including the promotion of OPIC and EXIM efforts in the region, reforms to the Development Fund for Africa and the need for effective debt relief.

The current trade relationship between the U.S. and the African continent is relatively small. Last year, two way trade of goods totaled $19.6 billion and the U.S. market share was less than 8 percent. On a continent with over 10 percent of the world's population, the U.S. business community will have new opportunities to develop infrastructure projects, bringing the benefits of improved transportation systems, new power plants and modern telecommunication installations. To that end, H.R. 434 facilitates $650 million in critical investments opportunities for Americans and Africans interested in modernizing Africa's infrastructure.

I am also pleased that the Africa-CBI bill includes language establishing tough new standards to prevent illegal apparel transshipments. To discourage other nations from illegally funneling their textiles and apparel through Africa into the U.S., this legislation would suspend an exporter's trade privileges if it is found guilty of engaging in illegal transshipments. Further, the agreement includes a provision that would require the Office of the U.S. Trade Representative to rotate the goods sanctioned during trade disputes. Known as carousel retaliation, this important measure will increase U.S. leverage in trade disputes by spreading the impact of sanctions over several markets. These measures will ensure that the trade between African nations, the CBI and the United States will be held to a fair standard, and not be to the detriment of American jobs and workers.

Mr. Speaker, this conference report is not a perfect piece of legislation. I wish the conferees had done more within this bill to provide needed debt relief and deliver immediate assistance to Africa in its battle against the AIDS epidemic. But this bill represents an important first step in creating a new and mutually benefiting trade and investment relationship between the U.S. and Africa.

With enactment of the Africa-CBI bill, a sound trade and investment policy foundation for expanding economic partnership between the U.S. and sub-Saharan Africa will be created. I strongly support this Conference Report and urge my colleagues to support this important legislation.

Mr. ROYCE. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CRANE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 309, nays 110, not voting 16, as follows:

[Roll No. 145]

YEAS—309

Ackerman	Bliley	Castle
Aderholt	Blumenauer	Chabot
Allen	Blunt	Chambliss
Archer	Boehlert	Clay
Armey	Boehner	Clayton
Bachus	Bonilla	Clement
Baird	Bono	Clyburn
Baker	Borski	Collins
Ballenger	Boswell	Combest
Barrett (NE)	Boyd	Cooksey
Barton	Brady (TX)	Cox
Bass	Brown (FL)	Cramer
Bateman	Bryant	Crane
Becerra	Burton	Cubin
Bentsen	Callahan	Cummings
Bereuter	Calvert	Cunningham
Berkley	Camp	Danner
Berman	Campbell	Davis (FL)
Berry	Canady	Davis (IL)
Biggert	Cannon	Davis (VA)
Bilbray	Capps	DeGette
Bishop	Cardin	DeLay
Blagojevich	Carson	DeMint
Deutsch	King (NY)	Reynolds
Diaz-Balart	Knollenberg	Riley
Dickey	Kolbe	Rivers
Dicks	Kuykendall	Rodriguez
Dixon	LaFalce	Roemer
Doggett	LaHood	Rogan
Dooley	Lampson	Ros-Lehtinen
Doolittle	Largent	Rothman
Dreier	Larson	Roukema
Dunn	Latham	Royce
Edwards	LaTourette	Rush
Ehlers	Lazio	Ryan (WI)
Ehrlich	Leach	Ryun (KS)
Emerson	Levin	Sabo
Engel	Lewis (CA)	Salmon
English	Lewis (GA)	Sanchez
Eshoo	Lewis (KY)	Sandlin
Ewing	Linder	Sawyer
Farr	Lofgren	Scarborough
Fattah	Lowey	Schaffer
Foley	Lucas (KY)	Scott
Ford	Luther	Sensenbrenner
Fossella	Maloney (NY)	Serrano
Fowler	Manzullo	Sessions
Frelinghuysen	Martinez	Shadegg
Frost	Matsui	Shaw
Gallegly	McCarthy (MO)	Shays
Ganske	McCarthy (NY)	Sherwood
Gejdenson	McCollum	Shimkus
Gekas	McCrery	Shuster
Gibbons	McDermott	Simpson
Gilchrest	McInnis	Sisisky
Gillmor	McIntosh	Skeen
Gilman	McKeon	Skelton
Gonzalez	McNulty	Slaughter
Goodlatte	Meehan	Smith (MI)
Goodling	Meek (FL)	Smith (TX)
Gordon	Meeks (NY)	Smith (WA)
Goss	Menendez	Snyder
Graham	Mica	Stabenow
Granger	Millender-McDonald	Stearns
Green (WI)	Miller (FL)	Stenholm
Greenwood	Miller, Gary	Stump
Hall (OH)	Minge	Sununu
Hall (TX)	Moore	Sweeney
Hansen	Moran (KS)	Talent
Hastert	Moran (VA)	Tancredo
Hastings (WA)	Morella	Tanner
Hayworth	Myrick	Tauscher
Hefley	Napolitano	Tauzin
Herger	Nethercutt	Terry
Hill (IN)	Northup	Thomas
Hill (MT)	Nussle	Thompson (CA)
Hilliard	Olver	Thornberry
Hinchey	Ortiz	Thune
Hinojosa	Ose	Thurman
Hobson	Owens	Tiahrt
Hoeffel	Oxley	Toomey
Hoekstra	Packard	Towns
Hooley	Pastor	Turner
Horn	Payne	Upton
Houghton	Pease	Vitter
Hoyer	Pelosi	Walden
Hulshof	Peterson (PA)	Walsh
Hutchinson	Petri	Waters
Hyde	Pickering	Watkins
Inslee	Pickett	Watts (OK)
Isakson	Pitts	Waxman
Istook	Pombo	Weiner
Jackson-Lee (TX)	Pomeroy	Weldon (FL)
Jefferson	Porter	Weldon (PA)
John	Portman	Weller
Johnson (CT)	Price (NC)	Wexler
Johnson, E. B.	Pryce (OH)	Whitfield
Johnson, Sam	Quinn	Wicker
Jones (OH)	Radanovich	Wilson
Kasich	Ramstad	Wolf
Kelly	Rangel	Wu
Kilpatrick	Regula	Wynn
Kind (WI)	Reyes	Young (FL)

NAYS—110

Abercrombie	Capuano	Evans
Andrews	Chenoweth-Hage	Filner
Baca	Coble	Fletcher
Baldacci	Condit	Forbes
Baldwin	Conyers	Frank (MA)
Barcia	Costello	Gephardt
Barr	Coyne	Goode
Barrett (WI)	Crowley	Green (TX)
Bartlett	Deal	Hayes
Bilirakis	DeFazio	Hilleary
Bonior	Delahunt	Holden
Boucher	DeLauro	Holt
Brady (PA)	Dingell	Hostettler
Brown (OH)	Doyle	Hunter
Burr	Duncan	Jackson (IL)
Buyer	Etheridge	Jenkins
Jones (NC)	Mink	Schakowsky
Kanjorski	Moakley	Sherman
Kaptur	Mollohan	Shows
Kennedy	Murtha	Smith (NJ)
Kildee	Nadler	Souder
Kingston	Neal	Spratt
Kleczka	Ney	Stark
Klink	Norwood	Strickland
Kucinich	Oberstar	Stupak
Lantos	Pallone	Taylor (MS)
Lee	Pascrell	Taylor (NC)
Lipinski	Paul	Tierney
LoBiondo	Peterson (MN)	Traficant
Maloney (CT)	Phelps	Udall (CO)
Markey	Rahall	Udall (NM)
Mascara	Rogers	Visclosky
McGovern	Rohrabacher	Wamp
McIntyre	Roybal-Allard	Watt (NC)
McKinney	Sanders	Weygand
Metcalf	Sanford	Woolsey
Miller, George	Saxton	

NOT VOTING—16

Coburn	Hastings (FL)	Velazquez
Cook	Lucas (OK)	Vento
Everett	McHugh	Wise
Franks (NJ)	Obey	Young (AK)
Gutierrez	Spence	
Gutknecht	Thompson (MS)	

☐ 1535

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. UPTON) (during the vote). The Chair notes a disturbance in the gallery in contravention of the laws and rules of the House.

The Sergeant at Arms will remove those persons responsible for the disturbance and restore order to the gallery.

☐ 1546

Mr. SOUDER, Mrs. MINK of Hawaii, and Mr. FLETCHER changed their vote from ''yea'' to ''nay.''

Messrs. HINOJOSA, TOWNS and LEWIS of Georgia changed their vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. VELAZQUEZ. Mr. Speaker, I was unavoidably detained today, May 4, 2000.

If I had been present for rollcall No. 142, I would have voted ''yes.''

If I had been present for rollcall No. 143, I would have voted ''yes.''

If I had been present for rollcall No. 144, I would have voted ''yes.''

If I had been present for rollcall No. 145, I would have voted ''no.''

I ask that this statement be entered into the RECORD.

LEGISLATIVE PROGRAM

(Mr. FROST asked and was given permission to address the House for 1 minute.)

Mr. FROST. Mr. Speaker, I have taken this time to inquire about next week's schedule.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding, and I am

pleased to announce that the House has completed its legislative business for the week. There will be no votes in the House tomorrow, Mr. Speaker.

On Monday, May 8, the House will meet at 12:30 p.m. for morning hour and 2 p.m. for legislative business. We will consider a number of bills under suspension of the rules, a list of which will be distributed to Members' offices tomorrow.

On Monday, no recorded votes are expected before 6 p.m. On Tuesday, May 9, through Thursday, May 11, the House will consider the following measures, all of which will be subject to rules:

H.R. 3709, the Internet and Nondiscrimination Act;

H.R. 701, the Conservation and Reinvestment Act of 1999; and

H.R. 853, the Comprehensive Budget Process Reform Act of 1999.

Mr. Speaker, on Friday, May 12, no votes are expected in the House; and I thank the gentleman for yielding.

Mr. FROST. Mr. Speaker, if I may inquire further of the majority leader, do we anticipate any late night sessions next week?

Mr. ARMEY. I thank the gentleman for the question, Mr. Speaker, and if the gentleman will continue to yield, we do not know yet exactly how many amendments will be offered to the Conservation Reinvestment Act of 1999. The Committee on Rules has asked Members to preprint their requests by Monday at 5 p.m. Only after the Committee on Rules has a chance to assess that can we say anything for certain. But I think we ought to be prepared for the possibility of a late evening on Wednesday evening.

Mr. CONDIT. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from California.

Mr. CONDIT. Mr. Speaker, I would like to ask the majority leader if there has been any consideration given, or would it be possible to roll the Monday votes over to Tuesday, therefore giving the full day for people who travel from the West?

Mr. ARMEY. If the gentleman from Texas will continue to yield, I thank the gentleman for his inquiry; and I do appreciate the concerns that he has in traveling to Washington. We have done everything we can, working with particularly the West Coast delegation for the 6 p.m. return, which we know saves those Members pretty much a day. I think at this point this is the best we can do.

We do need to be prepared to be back here and work on Monday evening, and I thank the gentleman for yielding.

Mr. CONDIT. Mr. Speaker, if the gentleman from Texas will continue to yield, may I ask the majority leader how many votes we are supposed to have on Monday evening?

Mr. ARMEY. Again, if the gentleman will continue to yield, this is always an uncertain matter. We have a number of bills under suspension. It is always a question of how many bills on which votes will be ordered. And of course one would anticipate one needs to be prepared for votes to be ordered, which would be within the province of any Member on each of the suspension bills that are scheduled. So one can just not know until one sees the way the day plays out.

TRIBUTE TO JOHN CARDINAL O'CONNOR

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, all of us here as a Nation are aware and grieve over the loss of Cardinal O'Connor. We know there are a large number of our Members that will want to be in New York for services on Monday, and in just a few minutes the gentleman from New York (Mr. FOSSELLA) will be addressing that.

I would like to encourage Members to understand that we will be working with the office of the gentleman from New York (Mr. FOSSELLA) to arrange transportation, so that those Members who do want to attend services will be able to be back here in time for votes. We will be attentive, of course, to those Members traveling for that purpose.

In a few moments the Members may hear more from the gentleman from New York (Mr. FOSSELLA) and others.

ADJOURNMENT TO MONDAY, MAY 8, 2000

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12.30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Texas.

There was no objection.

CALENDAR WEDNESDAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXPRESSING SENSE OF CONGRESS ON DEATH OF JOHN CARDINAL O'CONNOR, ARCHBISHOP OF NEW YORK

Mr. FOSSELLA. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform be discharged from further consideration of the concurrent resolution (H. Con. Res. 317) expressing the sense of the Congress on the death of John Cardinal O'Connor, Archbishop of New York, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 317

Whereas His Eminence John Cardinal O'Connor was born John Joseph O'Connor on January 15, 1920, in southwest Philadelphia, the son of Thomas and Mary O'Connor;

Whereas his duty to God and country led him to serve loyally as a chaplain in the United States Navy, counseling thousands of brave young men and women during his tenure, which included tours of duty during the Vietnam War;

Whereas John Cardinal O'Connor served the people of the Archdiocese of New York with honor and distinction for over 15 years;

Whereas John Cardinal O'Connor became an internationally recognized leader in the field of human rights, working for peace and justice;

Whereas John Cardinal O'Connor was a champion of Catholic schools, particularly in inner-city communities;

Whereas John Cardinal O'Connor has always spoken out and acted to aid the elderly, homeless, working people, the mentally disabled, and the poor;

Whereas John Cardinal O'Connor has provided compassion through his words and actions and made it known that everyone was a child of God and was deserving of love, compassion, and respect;

Whereas John Cardinal O'Connor led the Catholic Church in recognizing the terrible toll of AIDS and opened New York State's first AIDS-only unit, at St. Claire's Hospital;

Whereas John Cardinal O'Connor worked tirelessly to strengthen relations between Catholics and followers of the Jewish faith, recognizing the power of the interfaith alliance and leading the Vatican to recognize the State of Israel; and

Whereas John Cardinal O'Connor was guided in his actions by the Spirit of the Lord: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) has learned with profound sorrow of the death of His Eminence John Cardinal O'Connor on May 3, 2000, and extends condolences to his family and to the Archdiocese of New York;

(2) expresses its profound gratitude to John Cardinal O'Connor and his family for the service that he rendered to his country and his faith; and

(3) recognizes with appreciation and respect John Cardinal O'Connor's commitment to and example of faith, love, respect, and dignity for all mankind.

The SPEAKER pro tempore. The gentleman from New York (Mr. FOSSELLA) is recognized for 1 hour.

Mr. FOSSELLA. Mr. Speaker, I ask unanimous consent that the time be divided, 30 minutes on each side, with the 30 minutes on the other side being controlled by the gentleman from New York (Mr. CROWLEY).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FOSSELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to echo the words of the majority leader, the gentleman from Texas (Mr. ARMEY), and

also to express our appreciation to him and the Speaker as well in allowing Members to pay our respects to the great Cardinal O'Connor, who we bury on Monday in New York.

Mr. Speaker, it is a sad day for New Yorkers and the Nation. America has lost a good priest and a great leader, John Cardinal O'Connor. Normally, resolutions such as this are tinged with regret. For often, when someone passes away, we worry that we may have missed the opportunity for not having said something to one that we loved or respected; for not expressing something that we felt. But I am pleased that this is not the case today. I am pleased because this House expressed the gratitude of the Nation for the work of John Cardinal O'Connor while he was still alive.

Just a few weeks ago, the House voted to recognize Cardinal O'Connor with a Congressional Gold Medal, the highest award that this Nation bestows upon a civilian. And sadly, while he will never have the opportunity to see or to hold that medal, I know that he was deeply touched by being recognized by Congress. Just to have his name placed up for the Congressional Gold Medal was an honor to him, and I would like to thank each and every Member of this House for voting to award Cardinal O'Connor that great honor.

He considered his work that of a simple priest. We here today know that his modesty cannot obscure his greatness. John Cardinal O'Connor touched the hearts and lives of millions of people. He was a man of deep compassion, great intellect, and tireless devotion. His words transcended religion, and his actions reminded us that American heroes still exist. The cardinal was a guiding light for Catholics and non-Catholics alike. He was and is truly loved, truly admired; and he will truly be missed.

Cardinal O'Connor served this Nation for 27 years in his military career. He had a tour of duty in Korea, where he volunteered to become a chaplain; two tours of duty in Vietnam, often giving mass and celebrating mass in a foxhole, and giving the last rites to so many young men who gave their lives for their country. He was there in the heat of battle. And when he came back, I think above all he had the fondest memories of being a chaplain in the United States military. I am sure there are people around the country who remember Cardinal O'Connor as that chaplain, and I am sure they share the grief that we all have today.

In his responsibilities as Archbishop of New York, as a great spiritual leader, perhaps one of the most influential in this country, he was truly committed to those who needed help the most, the poor and the homeless. And when it came to education, he was steadfast in his commitment to ensure that Catholics and non-Catholics alike have the greatest opportunity to receive a quality education.

But for the strength, the guidance, and the principal positions that he often took, and that sometimes were referred to as controversial, his commitment to the church, his commitment to his people, his commitment to parishioners was a force that could never be forgotten. So his legacy will live on in many ways, and I thank the House for giving us this opportunity to honor his life and his legacy.

Mr. Speaker, I reserve the balance of my time.

Mr. CROWLEY. Mr. Speaker, I yield myself such time as I may consume, and I want to thank my colleague and my good friend, the gentleman from Staten Island, New York (Mr. FOSSELLA), for joining me in offering this resolution today and for his outstanding work in recognizing the life of our friend, Cardinal O'Connor.

I would also like to thank the other original cosponsors on this side of the aisle: the minority leader, the gentleman from Missouri (Mr. GEPHARDT), the gentleman from Michigan (Mr. BONIOR), the gentleman from New York (Mr. MEEKS), the gentleman from New York (Mr. WEINER), the gentleman from New York (Mr. TOWNS), the gentleman from New York (Mr. RANGEL), the gentleman from New York (Mr. OWENS), the gentlewoman from New York (Ms. VELAZQUEZ), the gentlewoman from New York (Mrs. MALONEY), the gentlewoman from New York (Mrs. MCCARTHY), the gentleman from New York (Mr. FORBES), the gentleman from New York (Mr. MCNULTY), the gentleman from Pennsylvania (Mr. BRADY), the gentleman from New York (Mr. LAFALCE), the gentleman from Massachusetts (Mr. DELAHUNT), the gentleman from Massachusetts (Mr. MCGOVERN), the gentleman from New York (Mr. HINCHEY), the gentleman from New York (Mr. ACKERMAN), the gentleman from New York (Mr. SERRANO), the gentleman from New Jersey (Mr. MENENDEZ), the gentleman from New Jersey (Mr. PALLONE), the gentleman from Pennsylvania (Mr. BORSKI), and the gentlewoman from New York (Mrs. LOWEY).

All of these Members are also original cosponsors of this resolution.

Mr. Speaker, I rise with a heavy heart to express my profound sorrow at the passing of John Cardinal O'Connor. As a spiritual leader of over 2 million Catholics in one of the most diverse archdioceses in our Nation, Cardinal O'Connor was an active participant in the debate of the role of the church and the role of society in helping those who could not care for themselves, those least fortunate amongst us.

□ 1600

The Cardinal has always embodied the biblical passage of the Good Samaritan. In both his words and actions, Cardinal O'Connor clearly demonstrated his devotions to the teachings of Christ and his spirit of the principles of that passage.

I can daresay that no individual whoever came before Cardinal O'Connor was ever left on the side of the road. He used not only his pulpit to teach the word of Christ but also the true meaning of those words as he saw them.

He was one of the first Church officials to recognize the horrible toll of the AIDS epidemic and used his moral authority to open New York State's first only unit to treat AIDS at St. Clare's Hospital in New York City.

Additionally, he also provided compassion through words and actions and made it known that every one of us was a child of God and was deserving of love, compassion, and respect.

He strove to strengthen relations between his flock and those of other faiths, recognizing the value of all people and the power of the interfaith alliance. He was a man who has dedicated his life to helping lift others up, all the while never seeking out worldly possessions or public accolade.

These are just some of the reasons I rise today. But there are others, more personal reasons. In my own family, three of my relatives received the devine calling to dedicate themselves to do the work of the Lord.

My uncle, Father John Crowley, is currently the pastor of St. John of the Cross Church in Vero Beach, Florida.

My other uncle, Father Paul Murphy, is a Catholic priest in Philadelphia, a member of the Vincesian order. He, like Father John Crowley, has been inspired by Cardinal O'Connor and viewed him as a personal figure of inspiration.

My aunt, Sister Mary Rose Crowley, is a member of the Sisters of Notre Dame and is based in West Palm Beach, Florida, as well. She, too, has reflected upon the grace, the power, and the compassion of Cardinal O'Connor.

These people, all dedicated to the teachings of Christ, have received both encouragement and guidance from Cardinal O'Connor. The Cardinal has always served as a role model of conduct and solid Christian behavior for my relatives and for millions of other Catholics not only in New York but throughout the Nation and throughout the world.

As the leader of New York's Catholics, he has also been influential in establishing and maintaining a series of high quality, Catholic schools throughout the Archdiocese.

In fact, I attended Power Memorial High School in Manhattan and, as a graduate of parochial schools, I have been brought up with the values of the Cardinal, and I hope that I at some point will be able to instill those same values of my family that I was taught, values of family and faith, into my son, Cullen, who was baptized recently into the Catholic faith.

No other person, I do not think, in the city of New York did more for relations, especially between the people of the Catholic faith and the Jewish faith. In fact, I think Cardinal O'Connor can be credited with much of the movement we saw recently out of the Vatican toward revisiting World War II and

the Holocaust and the role of the Church during that time.

I think the gentleman from New York (Mr. FOSSELLA) would remember the great warmth between Cardinal O'Connor and the former mayor of New York Ed Koch. I think that said an awful lot about how New Yorkers felt about Cardinal O'Connor from all persuasions.

On behalf of all my constituents in the Bronx, which is part of the Archdiocese in New York, and my constituents in Queens, a part of the Brooklyn/Queens Archdiocese, I urge all my colleagues to support this resolution in honor of this great man, Cardinal O'Connor.

May God bless his soul.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from New York for yielding me the time.

Mr. Speaker, I rise to support this resolution in honor of Cardinal O'Connor, particularly for his effort in racial and spiritual harmony.

I thank the gentleman from New York (Mr. CROWLEY) and I thank those who have cosponsored this resolution, as I have.

Mr. FOSSELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I take this time to commend the gentleman from New York (Mr. CROWLEY) for all of his efforts and support, especially in garnering support for the Congressional Gold Medal. He was very instrumental in that effort.

Mr. Speaker, I yield 3½ minutes to the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I welcome this opportunity to join the gentleman from New York (Mr. FOSSELLA) and the gentleman from New York (Mr. CROWLEY) and my other colleagues in expressing our sadness on the death of a great human being, his Eminence Cardinal John O'Connor, a man who I was honored to consider a friend.

Cardinal O'Connor was a humble man, and one of his final requests was to have his epitaph simply read, ''He was a good priest.''

Since the Cardinal was a good friend, I comply with his wish and say, Your Eminence, you were a good priest.

His Eminence Cardinal O'Connor dedicated his life to the Catholic Church. His allegiance to God and to his religion is well known throughout our Nation, throughout the world.

For all or most of our colleagues in this chamber, Cardinal O'Connor was and will remain an outstanding example of virtue, of honor and moral fortitude.

For me and my colleagues who represent congressional districts within the New York Archdiocese, the news of Cardinal O'Connor's passing came with even greater sorrow. He was a living personification of love for one another, for peace, and for living up to the ideals of our Judeo-Christian heritage.

Cardinal O'Connor was known for promoting racial and religion harmony. On Yom Kippur last year, the day of atonement, the Cardinal sent a letter to Jewish leaders expressing his sorrow for any member of his church who committed any acts of violence or prejudice against members of the Jewish faith. The work that he did in advancing good relations among all faiths of this land will never be forgotten.

The Cardinal was known for advocating the best education possible for all children regardless of their race, religion, or financial status. He welcomed AIDS patients into the Catholic hospitals of New York at a time when other medical institutions were turning them away. The Cardinal always administered to the sick and to the disabled and remained a staunch friend of the poor.

It was unfortunate that Cardinal O'Connor was a victim of abuse from certain elements in our society who feel comfortable attacking those institutions who continue to uphold our ancient moral standards. His Eminence, however, knew the value of his words and deeds and never flinched at dissent, for he knew he was doing God's work on Earth.

Perhaps the motto on Cardinal O'Connor's personal coat of arms sums up the philosophy of this outstanding leader: ''There can be no love without justice.''

Earlier this year, several of my colleagues and I supported the legislation to award Cardinal O'Connor with this country's highest civilian honor, the Congressional Gold Medal. God works in mysterious ways, and he allowed the Cardinal to live long enough to see our appreciation for his good works.

The Cardinal always said that he would have been satisfied with being just a teacher or parish priest without all of the media attention of his valiant works. Thank God people like him exist on this planet, for they serve as models for our younger generations in how to live meaningful and successful lives.

My heart and prayers go out to the Cardinal's family, and I hope that the Archdiocese of New York will be blessed with another archbishop as honorable and dedicated as our good friend, his Eminence Cardinal O'Connor.

Mr. CROWLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Manhattan, New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, let me thank the gentleman from New York (Mr. CROWLEY) and the gentleman from New York (Mr. FOSSELLA) for being thoughtful enough to give some of us in the Congress an opportunity to express the appreciation that we have in having from our city, and indeed from our country, someone like Cardinal O'Connor.

I knew and respected and admired him and worked with him on so many different occasions. And because of the splendor of his vestments and the manner in which he carried himself, it is impossible for me, even now, to think of him as being gone.

But I would suspect that, with all of the spirituality, that he would want us to not think of him as being gone but, rather, to carry out some of the things that he would want us to do and some of the things that he has just built such a wonderful reputation on.

We pride ourselves in New York for our parades. The older we get, the longer it seems like the parade lasts in terms of marching. But one of the brightest spots that we all looked forward to, no matter what ethnic group it was, was reaching St. Patrick's Cathedral and knowing that, no matter what the weather was like, the Cardinal would be there with a smile on his face.

And it was just unbelievable to see how, no matter what the religion or the faith or the background was of the sponsors of the marchers in the parade, Cardinal O'Connor was their spiritual leader.

When the Haitians were trying so desperately hard to reach our shores and the Coast Guard was meeting them halfway and turning them back, the Haitian community was so frustrated that they did not know what to do. And I went to the Cardinal and reminded him that so many of the Haitians that were being persecuted were Catholics. And time after time and mass after mass, he would hold for Haitians to come into St. Patrick's Cathedral and, believe it or not, the mass, which I knew as an altar boy in Latin, he would say patios so that the Haitians would feel not only a part of being loved but a part of the spirituality.

How would he be remembered? In Harlem, we have a church called the Convent Avenue Baptist Church. For over 20 years, we celebrate Martin Luther King's birthday and Baptist ministers and ministers from all over the country come to speak.

We can rest assured that one person would be there early and stay late with all of his beautiful vestments in the middle of Harlem, and that would be Cardinal O'Connor.

The things that he allowed Catholic charities to do, and Catholic charities took care of the needs of the poor, and not all of the poor are minorities but, unfortunately, too many are, and if we took a look and found out where the resources were being spent, we would find it would be in the south Bronx, south Jamaica, and in Harlem.

The Cardinal was not satisfied to allow lay people to do it, but if a building had to be open or a ribbon had to be cut, he would cause excitement of the people in the community to know something was happening because he would be there smiling and blessing the opening of those things.

Yes, I do not know how we all are going to get along without remembering our great Cardinal. But again, in closing, I would say that he would want us to remember him for all the good he tried to do. And I think that all of us would be better people if we recognized that, whether we are Jewish or gentile or Muslim or Hindu or Catholic or Protestant, that somehow this great person was able not just to preach to Catholic catechism but to give a sense to all of us that we were loved by God and that we have a responsibility to love our fellow man.

He will be missed, but there will be enough of us that could try to fill the gap and I do hope that the spiritual community will never forget that we were not made to compete with each other but we were made to be like the Cardinal, to bring each other together.

I thank my friends and colleagues, the gentleman from New York (Mr. FOSSELLA) and the gentleman from New York (Mr. CROWLEY), for giving us this opportunity to thank God for having a chance to have known and to have worked with his Eminence.

Mr. FOSSELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for his beautiful words. He truly was a friend of the Cardinal, and I thank him for his leadership and eloquence on this.

Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. KELLY).

□ 1615

Mrs. KELLY. Mr. Speaker, today all of New York grieves for the passing of his eminence John Cardinal O'Connor, the archbishop of New York. Cardinal O'Connor was a tireless advocate for the disadvantaged, the poor, the working class. His passing is a tremendous loss to the Nation.

I was privileged to have had the opportunity to meet with the cardinal on more than one occasion, and to say that I was impressed is really a vast understatement. I have to say he was a wonderful man to work with when we had common cause with which we were trying to achieve a goal. He was there, he was present, and he was always working very hard for all of us.

His presence commanded attention and respect. His awareness of individuals, their hopes, aspirations and desires brought him an empathy that very few can duplicate.

His humor was gentle, sometimes trenchant, and always amusing. John Cardinal O'Connor built bridges of understanding among the most diverse communities of New York and won the respect of the leaders of many faiths in the city. Today, we mourn the loss of a true leader, a visionary and a peacemaker whose moral convictions continue to stand as a great example for all of us. Even when he was suffering from the ravages of brain cancer, his humor was irrepressible and his advocacy undiminished. As Cardinal O'Connor is in our prayers, we must now also pray for the Archdiocese of New York that his successor can fill his tremendous shadow with the same qualities that made him such a great man.

We all pray for you, John Cardinal O'Connor, as we do for the Archdiocese of New York.

Mr. CROWLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from upstate New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, I am very grateful to my friends and colleagues for providing us with the opportunity to reflect for a moment on the life of this great and wonderful man, and to join with millions of other New Yorkers, others across this country and indeed in many places around the world who are feeling a deep sense of loss and a deep sense of sorrow at the death of John Cardinal O'Connor.

He was, in many ways, a very unique man. At the same time he prided himself on his own simplicity and his own sense of simple relationships with others. He was the classic parish priest, the classic pastor, peacemaker, working with others in the community wherever he found himself, whatever that community might be, helping people meet their obligations and helping them to get over the more difficult parts of their life.

He was a volunteer in the service of his country. He was a chaplain in the United States Navy. He spent a good part of his life ministering to servicemen, and the ministering that priests and other religious people do to servicemen is often some of the most difficult ministering because these are people away from home, away from their families and often under difficult and troubling circumstances.

He rose in that order to become chief of chaplains in the United States Navy. He was also, of course, a great leader in New York, in Pennsylvania, and other places where his ministry took him.

Among other things that I recall about him was his great advocacy on behalf of working people. He was a great believer in the right of working people to organize, to bargain collectively, to work in unions; and he was a great fighter against those who would impede that right. He went out of his way many times to make it clear that he was a strong believer in the right of people to organize collectively to try to improve their lives and the lot of their families.

This, among other things, stands out among this great and wonderful religious leader, great and wonderful American. We are all saddened by his passing. We are all saddened by our loss as a result of that passing, but we do have this opportunity, thanks to the gentleman from New York (Mr. CROWLEY) and the gentleman from New York (Mr. FOSSELLA), to reflect in this way on his life to pay tribute to the contributions that he made and to the great example that he has set for all of the rest of us.

Mr. FOSSELLA. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. KING), a good friend of the cardinal, the man from Nassau County.

Mr. KING. Mr. Speaker, I thank the gentleman from New York (Mr. FOSSELLA) for yielding me this time.

At the very outset, I want to commend the gentleman from New York (Mr. FOSSELLA) and the gentleman from New York (Mr. CROWLEY) for the great leadership they have shown in bringing this to the floor so all of us today can have the opportunity to reflect on the great contributions that were made by John Cardinal O'Connor.

I was very proud to call Cardinal O'Connor a friend. He was a man of great vision, a man of great dignity, a man of great moral capacity; and certainly he was a giant of the church. In many ways, too, he was also the ultimate New Yorker. He had a fighting spirit. He had a sense of self-deprecating humor. He took issues very seriously but never took himself seriously.

At a time of moral relativism, Cardinal O'Connor had the courage to stand for lasting truths and immutable principles. He spoke out on behalf of the unborn. He spoke out on behalf of working men and women. He spoke out on behalf of the impoverished, those suffering with AIDS, and he always made it clear to all men and women, no matter what their religious faith, that they had an obligation to look beyond themselves, to look for those who have been left behind and take care of them.

I had many personal experiences with Cardinal O'Connor. He was very, very active in bringing the Irish peace process forward. Certainly, from the time he came to New York in 1984, the St. Patrick's Day parade in 1985 where he stood up to pressure from the British and Irish governments to review the St. Patrick's Day parade. In 1994, when Jerry Adams received his first visa to reach this country, Cardinal O'Connor insisted on meeting with him to send a signal that this was important to the peace process to go forward.

In 1996, when there was a break in the peace process, it was Cardinal O'Connor who publicly met with leaders at St. Patrick's Cathedral from Ireland, including Jerry Adams, and there are so many others. As the gentleman from New York (Mr. RANGEL) said, he spoke out on behalf of Haitians. So it was not just one particular ethnic group or one particular religion. It was all people that were oppressed that Cardinal O'Connor identified with.

I think at this time when again there are few real heroes in our country, it is important to look to someone who did stand for what was right and was not afraid to say so. Also I think it is very

important to note that during this past 8 or 9 months when he was suffering from brain cancer, he showed the same class, the same courage, the same sense of dignity that he displayed throughout his life. He certainly displayed grace under pressure, and that is the ultimate definition of class. It is also the ultimate definition of a man who has a true faith and a true belief in God.

Again, I am proud to stand here today with all of my colleagues in honoring John Cardinal O'Connor. I was proud to call him a friend. He certainly will always be in my prayers and the prayers of my family. May he rest in peace.

Mr. CROWLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we thank the gentleman from New York (Mr. KING) for his words, especially bringing light and attention to the fact that Cardinal O'Connor had played such a major role in the Irish peace process and in many, many different ways. He had a tremendous amount of pride in his Irish heritage, and I probably dare say that one of his greatest days was March 17 every year. When the gentleman from New York (Mr. RANGEL) talked before about all the parades, I have to say that March 17 was probably his favorite day of all the parades, and he had the biggest smile on that particular day.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Speaker, I would like to thank my very able colleague, the gentleman from New York (Mr. CROWLEY), and also the gentleman from New York (Mr. FOSSELLA) for sponsoring this resolution and my dear friend and our leader, the gentleman from New York (Mr. RANGEL), for sponsoring this resolution this evening.

I, as an Ohioan and a daughter of the Buckeye State, rise with a heavy heart along with our colleagues from New York to extend deepest sympathy to the family, the friends and the colleagues, both in public life, in private life, in church life, for the unselfish life of John Cardinal O'Connor. We mourn with all the loss of this truly great spiritual leader and world figure of enormous proportion.

It is amazing. I guess one could say there are cardinals and then there are cardinals, and without question those of us who hail west of Long Island and New York City kind of viewed Cardinal O'Connor and the New York archdiocese as our connection to the world, and his role stretched beyond the diocese of New York.

I have to think back to a wonderful invitation that was extended to us by the gentleman from New York (Mr. RANGEL) to meet with Cardinal O'Connor about 2 years ago when many of us who are very concerned about rebuilding in the former Soviet Union had brought visitors from, in that instance, the Ukraine to New York, people who had never traveled to the United States before, and Cardinal O'Connor agreed to hold mass to introduce these individuals in front of his magnificent congregation in New York City and then afterwards to privately meet with these individuals who could not even imagine that they would have had that set of experiences.

I can remember the cardinal afterwards hosting them in his private residence, something he did not have to do. I can recall during the mass, when it began, how he as a great moral leader but also an individual with great discipline and dispatch walked down the middle aisle of St. Patrick's Cathedral. I will never forget that. He had such a long gait because he was so tall, and he had so much energy you just felt like he lifted New York up; and he lifted all of us by the way he carried himself, and then to listen to his homily, the great humor, the keen mind that he displayed.

And every moment during that very, very special day for us is something I shall never forget and even then more importantly for the people who were our guests from the former Soviet Union, he, through the Catholic Near East Welfare Fund, began to work with them. Again, the branches of America's free society, with all of our institutions, including those of our religious institutions, began to build back and began to plant seeds that will bloom in generations to come.

I will always remember the fact that he was able to host us and he did that. We were not from New York. We were not from that archdiocese. In fact, some of our visitors were from around the world, and I really gained a much deeper appreciation of the importance of the New York diocese, the importance of that particular cardinal, and his own commitment to those who were not of his congregation there inside of New York City.

So tonight we mourn his passing from this life, but I want to again acknowledge the gentleman from New York (Mr. RANGEL) for bringing us together and also the gentleman from New York (Mr. CROWLEY) and the gentleman from New York (Mr. FOSSELLA) for placing in the RECORD the life story and the contributions of this truly world spiritual leader who has made such a difference in the lives of Americans but also people around the world whose lives he touched. We extend our deepest condolences to his family, to his friends, to the people of New York, and people of spiritual conviction around the world.

Mr. FOSSELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentlewoman from Ohio (Ms. KAPTUR) for again her thoughtful words and words of praise for the cardinal.

While New York claimed him as our own, he was born in Philadelphia and immediately before coming to New York he was the Bishop of Scranton, a great town in Pennsylvania, for one year.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. SHERWOOD), who is here to speak for those great folks of Scranton and who represents Scranton.

Mr. SHERWOOD. Mr. Speaker, I would like to thank the gentleman from New York (Mr. FOSSELLA) and the gentleman from New York (Mr. CROWLEY) for the opportunity to speak today as we mourn the passing of a great American, John Joseph Cardinal O'Connor, the archbishop of New York. I rise this afternoon to join my colleagues in expressing our condolences to Catholics throughout the Nation and around the world. From Cardinal O'Connor's home in Philadelphia, where he was ordained, across the globe with the United States Navy Chaplain Corps, to the Scranton diocese where he served as our Bishop, to the diocese of New York, he ministered with grace, love, compassion and humility.

I first knew the cardinal as the bishop of Scranton, and even though that is almost 2 decades ago, he is still revered in Scranton as a man of great compassion and wisdom and, most of all, his relationship with people.

☐ 1630

Several months ago, I stood in this well as an original cosponsor of legislation to award the Congressional Gold Medal to Cardinal O'Connor in recognition of his devotion to faith, service, and country. Americans of all faiths owe a debt of thanks to the Cardinal. He worked tirelessly to encourage respect and cooperation among secular leaders and believers of Christian and non-Christian religions. He was a spiritual humanist who believed in the fundamental value of every human life.

Mr. Speaker, it has been spoken today of his great friendship with Mayor Koch of New York, and I think it has been said that if he had not devoted his life to the Church, he could have easily been the mayor of Philadelphia. He had those kinds of talents.

We would all do well to strive to emulate his commitment to love and service.

Mr. CROWLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Pennsylvania. He reminds us all that although Cardinal O'Connor spent the last years of his life in New York, he really was not a New Yorker by birth, and he never really belonged just to New York, he belonged not only to the United States, but to this world. I think the next speaker would like to expand upon that as well.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from San Francisco, California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I thank our colleague for his leadership in bringing this to the floor, along with the gentleman from New York (Mr. FOSSELLA) and Mr. RANGEL, both of whom spoke earlier. I thank my colleagues for giving us the opportunity

to mourn publicly and in this Chamber the death of John Cardinal O'Connor.

I was raised in Baltimore, Maryland. We have the oldest archdiocese in the country, but everyone in the country thinks of New York in terms of the greatest, because of size and because of St. Patrick's Cathedral.

I want to address both the national and international aspects of this great Cardinal. Both Baltimore and New York have wonderful basilicas and cathedrals and wonderful, wonderful religious leadership, and that leadership was not only there to guide us in our inner spiritual lives about religion, but also about the dignity and worth of every person.

When we talk about human rights throughout the world, a guiding message among Catholics is the message of Pope Paul VI who said if you want peace, work for justice. John Cardinal O'Connor was the living embodiment of that statement. He became an internationally recognized leader in the field of human rights working for peace and justice. He recognized the dignity and worth of every person, no matter how humble, no matter living in how remote an area of the world. He was not only a leader, but an inspiration, and, again, a disciple of the words of Pope Paul VI, and he brought that home. He brought that home. He not only promoted justice, economic and social justice, throughout the world, but he did so at home.

He had always spoken out and acted to aid the elderly, the homeless, working people, the mentally disabled and the poor. He was, again, the living embodiment of the corporeal works of mercy, the Sermon on the Mount, the gospel, the Gospel of Matthew. When I was hungry, you gave me to eat; when I was naked, you clothed me; when I was homeless, you sheltered me; when I was in prison, you visited me. Not just for those who were poor, but those who were disadvantaged in other respects as well.

His illness was a tragedy for our whole country, and we viewed it, many of us, as his purgatory, so we know he went directly to heaven. He would have anyway, probably, but God chose to give him this suffering to atone not for his sins, but for others. So we know he is in heaven.

So as we pray for the people of New York and on behalf of my own constituents extend condolences to the people of New York, and recognize his role as a national leader, and a special claim that all people in America have on St. Patrick's Cathedral and its Cardinal, and, in this case, John Cardinal O'Connor, we have all been diminished by his death. So in extending sympathy to the people of New York and to our country and to the family of John Cardinal O'Connor, I do so in prayer, prayer for his family, prayer for his constituents, but knowing that he is in heaven, beseech him to pray for us. He knows how badly we need his prayers.

Again, I thank our colleagues for giving us this opportunity to recognize the life and works of John Cardinal O'Connor and to extend sympathy to the people he served in his state, in this country, and throughout the world.

Mr. CROWLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just in closing on our side, I just want to say that I do not think anything more can be said about this great man that has not been said already here on the floor.

All of New York will miss Cardinal O'Connor. I speak for all my constituents, both Catholic and non-Catholic alike. He was a man who touched the heart and soul of every person in this country and in this world, and the world is lesser for not having him anymore.

Before I came to the floor this evening to manage debate on this, I called my mother to let her know that we would be doing this, and to maybe give my aunt and uncles a call in the religious community, that they might want to tune in to hear a few words about Cardinal O'Connor. She said, ''You know, I loved him;'' and my mother means she really loved him.

I think that is really representative of so many people. My mother was not even in his diocese, but she loved Cardinal O'Connor, and she was not ashamed to say it, and there are millions and millions of people who feel the very, very same way.

Mr. Speaker, I thank my good friend from Staten Island once again for his work on this effort.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FOSSELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend my good friend the gentleman from New York (Mr. CROWLEY) for his leadership on this issue, and also again for helping us out so much with getting a Congressional Gold Medal to be bestowed upon Cardinal O'Connor, and the gentlewoman from California (Ms. PELOSI) for coming in and offering her thoughtful words as well.

As the gentleman from New York (Mr. CROWLEY) said, Mr. Speaker, it has all been said. As Catholics, as Christians, we are taught to believe in eternal life, and the Cardinal through his daily mass celebrated the Eucharist and celebrated not only life here on Earth, but what he thought would be entering into the Kingdom of God, where he will rest forever in peace and love.

I am very fortunate to represent the people of Staten Island, Bay Ridge, Brooklyn, Dykker Heights, Bensonhurst and Grave's End. While those folks are not in the diocese that the Cardinal controlled, like Mr. CROWLEY's mother, they loved the Cardinal as well.

If anything, New York, this country, the Catholic Church, has lost a bit of its soul with the passing of Cardinal O'Connor, but it has not lost the legacy that he has left for all of us to emulate.

A true leader, Mr. Speaker, does not say do as I say; he says do as I do, come follow me. Whether it was at the alter at St. Patrick's Cathedral or on the 5th Avenue on the St. Patrick's Day parade, or just touching the hand of a young child in a Catholic school who might not otherwise get a good education but for his steadfast commitment to ensuring that he gets one, or that person suffering from AIDS who had but a few moments left on this Earth, he was there to lend a helping hand and prayers, or for the homeless or the poor, the working men and women who were just looking for a better life when they land on these shores, Cardinal O'Connor, in my opinion, Mr. Speaker, will go down as a truly great American.

I thank and applaud my colleagues, especially the gentleman from New York (Mr. CROWLEY), the gentleman from New York (Mr. KING), the gentleman from Pennsylvania (Mr. SHERWOOD), the gentleman from New York (Mr. RANGEL) and others who have spoken for taking the time to acknowledge his greatness, his contributions to this country and his church, and, above all, Mr. Speaker, the Speaker of the House, the gentleman from Illinois (Mr. HASTERT) and the gentleman from Texas (Mr. ARMEY) for allowing us to bring this to the floor in such an expeditious manner, and all my colleagues here, both Democrats and Republicans, for paying tribute to a great man.

Mr. WOLF. Mr. Speaker, I rise today to remember a truly great man—John Cardinal O'Connor, Archbishop of New York. Cardinal O'Connor's death is a tremendous loss not only for the people of New York, but for the country and for the world.

I have always admired Cardinal O'Connor. I understand that he was from southwest Philadelphia. I was from the same neighborhood, right around the corner from the parish he grew up in, St. Clement Parish, which is at 71st Street and Woodland Avenue. I'm from 70th and Reedland Streets, and I went to Patterson Elementary School and Tilden Junior High, which I understand is where Cardinal O'Connor also went to school.

Cardinal O'Connor lived a long and full life, and it was one which was marked by service to others. He was a voice for the voiceless and a champion of human rights, both here in this country and for all people everywhere.

He delivered a homily on January 30 of this year which I think epitomizes the values for which he stood, and I'd like to quote a few closing remarks that he made that day:

> Perhaps the time has come for a new and deeper reflection on the nature of the economy and its purposes. What seems to be urgently needed is a reconsideration of the concept of prosperity itself, to prevent it from being enclosed in a narrow utilitarian perspective which leaves very little space for values such as solidarity and altruism . . .
>
> We are not simply looking for economic benefits. We are looking for human benefits. When we recognize that the human person comes before all else under God, then the economy will be measured, will be truly rooted in helping every human person become everything that God intended him to be.

In the book of Isaiah, the first chapter, it says, ''Learn to do right! Seek justice, encourage the oppressed. Defend the cause of the fatherless, plead the case of the widow.''

That is a command that the Lord tells those who seek to follow Him. Cardinal O'Connor was a true man of God who will be deeply missed, but hopefully we can follow the example of his life in our lives as well.

Mr. BLILEY. Mr. Speaker, I am deeply saddened to hear about the death of His Eminence John Cardinal O'Connor and wish to announce my support for the resolution sponsored by Representative VITO FOSSELLA to express the condolences of the House of Representatives on His Eminence's death. His Eminence was a man of compassion and devotion to people of all faiths and will be forever remembered for his service to the Catholic Church and his country. His Eminence was, and will always be, an inspiration to me and Catholics around the world for his leadership. As an adoptive father, I want to take this time to recognize His Eminence's devotion to protecting the life of the unborn by promoting adoption as an alternative to abortion.

On October 15, 1984, His Eminence announced for the first time that, ''any women, of any color, of any religion, of any ethnic background, of any place, who is pregnant and in need, under pressure to have an abortion, can come to us in the Archdiocese of New York, can come personally to me. If she is in need, we will see that she is given free medical care and free hospitalization. If she wants to have her baby adopted we will provide free legal assistance. If she wants to keep her baby we will provide free assistance.

His Eminence expanded on this by saying during his January 17, 1999 Respect Life Sunday Homily, ''Since the 15th day of October in 1984, many thousands of women have come to us and many thousands of babies have been saved. Equally important, the lives of their mothers have been made whole. The infants in their wombs have leaped for joy at the news that they would be brought safely into this world, as the infant in the womb of Elizabeth leaped for joy when Mary came bearing within her womb the Lord of Life Himself. Every human being in this Church, every human being that any one of us will meet this day or on any day of our lives is a sacred human being.''

This country owes debt of gratitude for His Eminence's leadership on important issues of the day, and I want to personally single out his efforts to protect the sanctity of life and promote adoption.

Mr. HASTERT. Mr. Speaker, Cardinal O'Connor will be missed by our entire nation. He was quietly courageous—unafraid to take positions that might not be popular, while always approaching people with dignity and humility. Earlier this year, Congress had the privilege of bestowing on Cardinal O'Connor the Congressional Gold Medal, our highest civilian honor.

When asked how he would like to be remembered, Cardinal O'Connor said he wanted to be remembered simply as a ''good priest.'' Cardinal O'Connor was more than a good priest, he was a great man. He was an example to people of all faiths about how to live a truly God-filled life. Whether it was his work with AIDS patients or his commitment to education, Cardinal O'Connor kept himself immersed in helping others.

Cardinal O'Connor loved God. He loved the Church. He loved his family, and he loved his friends. But he also loved and was committed to the less fortunate. His life serves as an example to us all.

Mrs. MCCARTHY of New York. Mr. Speaker, I rise today to express my deepest sorrow to the people of New York and to pay tribute to a great man. We all are much poorer today, because during the night, His Eminence, John Cardinal O'Connor died.

Cardinal O'Connor was a spiritual leader to 2.3 million Catholics. Despite this challenge, he did not limit his advocacy to strictly Catholic matters. Rather, he spoke out on a variety of issues. For example, Cardinal O'Connor has condemned racism in any and all forms. Cardinal O'Connor has also reached out to New York's Jewish community. He has issued condemnations of anti-semitism and spearheaded the effort to establish diplomatic ties between the Vatican and Israel. An endowed chair of Jewish Studies is named in his honor at the Catholic Seminary in Dunwoodie, New York.

But more importantly, the Cardinal was not only a man of words, but of action. During the early and most frightening stages of the AIDS epidemic in the 1980s, he opened New York State's first AIDS-only unit at St. Clare's Hospital. He remained a frequent visitor and volunteer at this unit, spending untold hours with those in pain and suffering, and counseling patients in their last moments on this earth. Catholic parishioners in America knew well of Cardinal O'Connor's contributions for the betterment of our society, most especially his many humanitarian endeavors such as his work on behalf of disabled persons and the people who care for them.

Cardinal John O'Connor was a great man, who has finally found peace from a devastating illness and we are all better people for having known him.

Mr. PAUL. Mr. Speaker, I want to join my colleagues who spoke today about the death of Cardinal O'Connor. In the passing of this tremendous spiritual beacon, millions of American worshipers have lost a great shepherd of the faithful.

Cardinal O'Connor was an unabashed champion for human life and human dignity. His presence will be missed. Throughout his illness he showed us how to face death with dignity as well.

John Cardinal O'Connor was a giant. He lived his life as a true pillar of faith. In a time when our nation and our world has witnessed a general move toward the devaluation of our common humanity, this man stood firm against the grain. There has never been a time when it has been as difficult as it is now for people to stand against the worst traits of modernity. Cardinal O'Connor's example shows beyond the shadow of a doubt that humans can continue to stand firm for noble goals even in this most difficult of times.

Having had the opportunity to correspond with him recently, I can attest that he remained a gentle and principled man until the very end of his earthly life. May God continue to bless the Cardinal and reveal Himself in all of His majesty to this great man in the place he has now been welcomed.

Mr. FOSSELLA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). Without objection, the previous question is ordered on the concurrent resolution.

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FOSSELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 317.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT OF MEMBERS TO MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of 22 U.S.C. 276h, the Chair announces the Speaker's appointment of the following Members of the House to the Mexico-United States Interparliamentary Group, in addition to Mr. KOLBE of Arizona, Chairman, appointed on February 14, 2000:

Mr. BALLENGER of North Carolina, Vice Chairman;
Mr. DREIER of California;
Mr. BARTON of Texas;
Mr. EWING of Illinois;
Mr. MANZULLO of Illinois;
Mr. BILBRAY of California;
Mr. STENHOLM of Texas;
Mr. PASTOR of Arizona;
Mr. FILNER of California;
Ms. ROYBAL-ALLARD of California; and
Mr. FALEOMAVAEGA of American Samoa.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE TRUTH ABOUT SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. WHITFIELD) is recognized for 5 minutes.

Mr. WHITFIELD. Mr. Speaker, in yesterday's Washington Post and also in today's Washington Post there were two articles in which Vice President GORE is scolding Governor Bush, candidate for president, on Social Security. In today's article, Vice President GORE in a speech yesterday to labor union members in Atlantic City said that Governor Bush had a secret plan to gut the Social Security program.

Now, the vice president is quite effective in being an advocate for the politics of fear, and it is a shame that he

would be using this opportunity to scare those most vulnerable in our society, and particularly those senior citizens who depend upon Social Security for their livelihood. So today I just wanted to take a few minutes to talk about Social Security.

The Social Security program began in 1936, and between 1936 and 1998, a period of 62 years, in about 47 of those 62 years there was a surplus in the Social Security account. In other words, there was more money coming in through the payroll tax than was being paid out to beneficiaries.

During those 47 years of surpluses, the Democratic leadership controlled the Congress for about 95 percent of that time, and during that time in excess of $800 billion was spent by the government from that fund.

Now, the sad thing about it was not only was the Congress during that period of time spending all of the income tax, both personal and corporate, but they were also spending all of the Social Security surplus, and they still were creating deficits, annual deficits, in excess of $200 billion a year in many of those years.

□ 1645

So I went back and I wanted to look at Vice President GORE's record while he was in Congress. Now, he served in the U.S. Congress and in the U.S. Senate from 1977 to 1992. During that time, Congress spent $269 billion of the surplus of Social Security. At least from the research that I looked at, I did not see anywhere that Vice President GORE expressed any opposition to spending that surplus money. Then, during that period, from 1977 to 1992, the Federal debt increased by $2.4 trillion. I did not find any record where Vice President GORE objected to that kind of addition to our Federal debt.

So I read this article about the Vice President using the politics of fear to scare senior citizens about the future of Social Security, and I said, what is the real issue here? When we have people come to Congress to lobby on Social Security, we obviously have senior citizens who depend upon it for their livelihood. But we also are having more and more young married couples with children coming, and they are paying frequently more in payroll tax than they are in income tax, many of them do not have any health insurance, they do not qualify for Medicaid, their employer does not provide health insurance, and they cannot afford it, and many of them do not believe that Social Security will even be there for their benefit when they retire. So Candidate Bush simply elevated for discussion the possibility which many of these young people want of allowing them the opportunity to direct up to 2 percent of their payroll tax into the equity markets.

Now, he did not say that he advocated that, he said that he wanted to explore it, because all of us know that by the year 2032, Social Security will be bankrupt. There is a surplus now and there will be until the year 2013, but at that time, the Federal Government is going to have to start repaying some of the $800 billion that it owes Social Security.

So Candidate Bush is looking for some long-term solutions for Social Security and its solvency. Of all of the articles that I have read about Vice President Gore, I do not see that he has ever advocated any solution, but he has been effective in advocating the politics of fear.

Now, we know from his record that this Vice President has no objection to the government spending every dime of the Social Security surplus. But, it appears from what he said yesterday and the day before that he does not want to even discuss giving young people just entering the workplace the opportunity to invest up to 2 percent of their payroll tax into the equity markets. We know that historically the Federal Government on the $800 billion of the Social Security money that it has borrowed is paying on the average of 5 percent a year. That is about what it averages out to. We know that historically the equity markets have increased over that period of time by about 14 or 15 percent a year.

So I would simply say, it is time for us to stop using the politics of fear as advocated by the Vice President and start looking for real solutions and having real discussions about how can we solve the long-term solvency of Social Security so that not only will it be available for senior citizens today, but it will also be available for those young men and women just entering the workplace today.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

(Mr. FOLEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Mr. DOOLEY. Mr. Speaker, I ask unanimous consent, in order to accommodate the gentleman from Washington (Mr. INSLEE) catching his airplane, that he could take the first 5 minutes, and then I could immediately follow with 5 minutes.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from California?

There was no objection.

NO MORE I LOVE YOU'S

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. INSLEE) is recognized for 5 minutes.

Mr. INSLEE. Mr. Speaker, I rise this evening to warn my colleagues and the Nation of a computer virus that as we speak is really sweeping the world. This is a computer virus that is going to be shortly called the ''I Love You'' virus, and believe me, there is nothing romantic about it, because this may be one of the most insidiously destructive viruses we have seen in several years. It has already destroyed 600 files in my office, and I am afraid that in many, many other of my colleagues' offices this afternoon we will have incurred substantial damage. I wanted to alert anyone who may be listening to this of a couple of things about this virus.

First, anyone who receives an e-mail where the subject is ''I Love You'' should immediately delete the e-mail. That is the modus operandi of this e-mail, and no one should open up an e-mail with that subject matter now or perhaps forever, considering this virus. The reason is, there is a second aspect of this virus that is very damaging, and that is we have learned this afternoon that this particular virus will also damage common files that are on a shared server of anyone who opens up that e-mail. What has already happened this afternoon in my office is that we had someone open up that e-mail and it then destroyed other common files on our shared server system. In our system, it happened to destroy our graphic files under the JPEG type files and there may be others that are subject to damage. So I hope that everyone can spread the gospel with their friends not to open up any ''I Love You'' e-mail messages.

I have another message that is important for those who are responsible for this destructive act. That is, you will be hunted down; you will not be able to hide. There will be nowhere you can hide to escape the impact of your actions. You will be hunted down like dogs, and you will be prosecuted. The reason is, that these juvenile vandal efforts are enormously destructive, and I can assure the perpetrators of this: that the U.S. Congress, beginning next Tuesday, is going to do what we can to make sure that the investigatory authorities have the technological tools at their disposal to find those who are responsible for this and make sure that they are prosecuted.

Mr. Speaker, I think this points up an important point that we in Congress have to understand. In the West, when the technology of the stagecoach was invented, Congress responded by creating, if you will, a Marshals Service to respond to the stage coast heists. We now have to be additionally attentive to give our law enforcement officials the statutory authority and the resources and the technological resources that are necessary to track these folks down and make sure that they are prosecuted.

Mr. Speaker, we are going to suffer significant damage nationally as a result of this. The person power hours that are going to be required to respond to this is going to be a major national problem. I think that we should

commit ourselves when we return to our offices next Tuesday or Monday to be very diligent in making sure that we adopt the technology necessary to respond to this new threat.

PERMANENT NORMAL TRADE RELATIONS FOR CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DOOLEY) is recognized for 5 minutes.

Mr. DOOLEY of California. Mr. Speaker, I rise today to speak out in support of the United States Congress granting permanent normal trade relations to China. I rise as a Democrat, one who believes that this policy of economic engagement is in the best interest of the United States on a number of issues.

When we look at the history of Congress and all of the trade agreements that we have had to vote on, seldom, if ever, have we had the opportunity to gain increased access to a market and not have to have given anything in return.

This administration was able to negotiate an agreement that resulted in the United States not reducing their tariffs 1 percent, not reducing their quotas 1 percent, not giving up anything, and in return, we achieved significant across-the-board reductions in tariffs. We received increased market access into China. We received the opportunity to have direct investment to China to over the 50 percent-ownership level in most sectors of their industry.

This is an agreement that is good for American workers, it is an agreement that is good for American businesses, it is an agreement that is good for American farmers.

One has to understand what is going to be the repercussions of the United States Congress failing to support PNTR for China. If we fail to vote for this measure, we are going to ensure that there are U.S. workers that are not going to benefit from the significant reductions in tariffs.

Just to put this in kind of graphic terms, if my colleagues can really think if the United States is still facing the same tariff schedule with China as we are today, and maybe it is in the exportation of auto parts, and if we are in competition with Canadian factories and Canadian workers who have supported the China PNTR who could experience a significant reduction in tariffs, it is clearly going to give that Canadian company the ability to gain that contract that will result in those products flowing into that China market. It will be U.S. workers that are on the outside.

The other thing that is going to result in tremendous benefit to U.S. workers and businesses are the provisions of this agreement that provide for even added protection against import surges coming from China. This agreement will ensure that the United States even has greater protection than it currently does today with import surges. So if we are faced with a situation as we were in years past with a significant increase in the exportation from China of apple juice concentrate, which had a significant impact in any Pacific Coast apple-producing States, or even if we were looking at the importation of large amounts of steel, we would now have the ability to take action specifically against China in order to deal with the import surges that might have resulted in having adverse economic consequences in this country.

Mr. Speaker, there have been a lot of my colleagues that have brought up an issue which is one that we have to address, and that is the issue of human rights and religious freedoms in China. All of us would like to see greater progress in China. But many of us I think agree that the best way to influence the internal affairs in China is by embracing this policy of economic engagement.

I was very honored and pleased to have the chance to visit with Martin Lee who is recognized internationally as one of the leading human rights activists in China, the leader of the Hong Kong Democracy Party. It was his commentary in terms of how we can make the greatest progress on human rights in China that I think resonated more effectively and with greater credibility than anybody I have heard address this issue. He is one who believes very strongly that if we do support this policy of economic engagement and supporting PNTR for China, that we will empower the reformers in China. We will empower the people that are trying to do away from the State-run enterprises. We will ensure that it is the people that are trying to carry out the reforms and bring China into a rule of law regime that their stature will be enhanced by our actions here.

He went on to further state that if the U.S. Congress failed to support PNTR, what we would in effect be doing would be undermining some of the progress that we have seen over the past decades in human rights and religious freedom, that in fact we would be empowering the hard-liners there, the people that want to maintain some of the centralized control of their economy and their society. He cautioned us and actually implored Congress not to take action that would result in China's stepping back and not moving forward.

Another gentleman from the Hong Kong Democratic Party also spoke, and he talked about what is happening with the introduction of the Internet into China. Just in the last year alone, we have seen Internet usage in China increase from 2 million people to 10 million people. It is expected that it is going to increase in this year alone to 20 million people. In the next 4 or 5 years, it is conceivable and quite likely that we will have 100 million people in China with access to the Internet. Why is this important?

I think it is important because I believe the Internet is probably greatest tool for the advancement of democracy that we have seen in the history of mankind. It will be this increased Internet usage in China that will result in more people getting access to information that is not controlled by the Chinese government. Support China PNTR.

□ 1700

DARYLE BLACK: A DEFENDER OF THE PEOPLE

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentleman from California (Mr. HORN) is recognized for 5 minutes.

Mr. HORN. Mr. Speaker, today the City of Long Beach, California, mourns the loss of a fine young police officer who was brutally murdered last Saturday night in a gang attack that also wounded his partner. Officer Daryle Black was 33 years of age when he died in the sudden and unprovoked attack that also wounded his colleague, Officer Rick Delfin. The murder of Officer Black reminds all of us that law and order are not automatic.

Safe streets and peaceful neighborhoods are created by those willing to risk their own safety, even their lives, for our community.

Officer Black cared deeply about serving others, and he served with a quiet courage and a steady professionalism. His loss is one we will all feel for many years from now.

Officer Black was a former United States Marine, a 6-year veteran of the Long Beach Police Department. He was assigned to a special gang enforcement unit. Officer Black was a very soft spoken person. Some of his colleagues said he was a gentle giant whose love for police work gave him the drive to risk his life on the streets every day.

He will be remembered by his many friends and colleagues for his professional dedication and commitment to protecting his community.

At the time of the shooting, Officer Black and his partner had just finished part of a police sweep of a neighborhood where gangs and drugs have been a serious problem for the city. Officer Delfin was wounded in the assault and is now recovering from an attack that most of us could never imagine, let alone face on a daily basis.

Daryle Black and Rick Delfin could imagine such an attack. Like every other police officer in America; however, they regularly faced personal danger, frequent physical and verbal assaults, and a host of other uncertainties each day as an unavoidable part of their job.

Mr. Speaker, too often we take for granted the thousands of men and women who patrol our neighborhoods, walk our streets, and guard our lives and property. The death of Officer Black brings home to us the very real and very constant risks that others accept on our behalf. All of our Nation's

law enforcement officers face those risks every single day.

Each time they leave their homes and families and go to work, there is no guarantee that they will return. They accept the risk of death to protect our freedom and our ability to live in a peaceful society, and they do this without hesitation or complaint.

We struggle to express feelings of grief, sorrow, and appreciation for this fine and humane man who lost his life protecting our freedom and our safety. As we mourn, we must remind ourselves that civilization comes with a cost; but we can take solace in knowing that police officers, like Daryle Black, defend our society every day.

Mr. Speaker, all of us owe a great debt of gratitude to the brave men and women who have dedicated law enforcement as their career. They provide us with peace of mind. Thank you, Daryle Black. Thank you, Rick Delfin. Condolences to the family of Officer Black and the hope that there will be a rapid recovery for Rick Delfin.

TRADE AGREEMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. SMITH of Washington) is recognized for 5 minutes.

Mr. SMITH of Washington. Mr. Speaker, trade has become an issue that is very divisive in this country, and I rise today as a Democrat and a member of the New Democratic Coalition to urge this body to remember the importance of expanding access to overseas market, the importance of trade to the growth of this Nation.

I do that mindful of some of the protests that have been out there about our global trade policy and even somewhat in support of some of the complaints that people have said about trade policy.

I think it is absolutely correct to look around the world and say what can we do to help improve human rights, to help improve labor standards, to help make sure that the entire globe protects the environment. And I think these issues need to be brought up more often in international discussions, not just involving trade, but in all discussions with other countries.

Mr. Speaker, what can we do to help improve those things? I rise today just to remind people that even though those issues are important, we cannot forget the importance of open markets. It starts with the simple fact that 96 percent of the people in the world live someplace other than the United States of America, while at the same time, here in the U.S., we manage to account for 20 percent of the world's consumption.

If we are going to grow economically, if we are going to create more jobs, those statistics make it abundantly clear that we are going to have to get access to some of those other 96 percent of the people in the world.

We need to get access to their markets. We need to reduce barriers, open access to trade to help grow the economy. And I do not think people understand completely the benefits that trade have brought and the role they have played in the strong economy that we now enjoy.

I just think that while we are working to improve labor conditions, working to improve human rights and environment, we can also open up other markets to our trade. And the best example of this, and I support the comments of the gentleman from California (Mr. DOOLEY), my colleague who came before me, is the China PNTR trade agreement.

All of the concerns we have heard about trade in previous agreements, a lot of them focus on the fact that it is a one-sided trade agreement. We open our markets, but other countries do not open theirs. This is actually the first trade agreement that goes the other way. China opens their markets by reducing their barriers across the board in a wide variety of goods and services that will increase our access to the single largest market in the world, 1.3 billion people.

This is a great trade agreement that actually will help us here in the U.S., and we need to recognize it for that. We also need to recognize how engagement helps move us forward.

Mr. Speaker, turning down PNTR for China will not do one thing to improve human rights, labor conditions or environmental standards in China. In fact, if you listen to the human rights activists over there, and if you listened to people over in that corner of the world, isolating China will send them in exactly the opposite direction.

Taiwan, in particular, we have heard a lot about how we cannot support this agreement, because of how bad China has treated Taiwan; and I agree that there have been many bad actions by China towards Taiwan. The Taiwanese, the recently elected president, an outspoken advocate for independence for Taiwan, someone who has run against China many, many times strongly supports the U.S. favoring PNTR for China, because he understands that engagement is the policy that will best protect him from Chinese aggression if they choose to go that route.

He wants China to be connected to the rest of the world so that they cannot afford to act in a way that forces the rest of the world to back away from them. So you can have a good trade agreement and also improve human rights, labor conditions, and the environment; but this argument goes beyond the specifics of the China Trade Agreement, even though I think it will be a watershed moment in this country to see whether or not we are going to go forward and embrace engagement and embrace overseas markets or drift back into a dangerous isolation that could push us into a bipolar world.

It is a basic philosophy of whether or not opening markets is open and beneficial. I think there is a lot of statistics out there that show that access to trade helps improve the economy across the board. This is not an isolated few who benefit from it. When we have an economy with 4 percent unemployment, 2 percent inflation, and growth as high as 6 or 7 percent, that benefits everybody in this country.

Mr. Speaker, we cannot lose sight of the importance of opening overseas markets to our goods. And it goes beyond economics. It is also a matter of national security. We should be concerned about the rest of the world, whether or not countries like Vietnam, Sub-Saharan Africa, other countries in the Third World grow and prosper. If they do not have access to our markets, their people will never be able to rise out of poverty. They will never be able to generate the type of economy that they need in order to have any level of prosperity whatsoever.

This is important for two reasons. One, if we can grow a vibrant middle class in places like Sub-Saharan Africa and beyond, they are in a position to buy our stuff and help our economy grow as well. If they are in poverty, we cannot get access to those markets because there is no one to buy.

Beyond economics, it is also important to keep the peace. If countries are impoverished, that is what leads to revolution and war. We have to help them grow up so that we can keep peace and stability in the world. Trade is important. Labor, human rights, environment, absolutely important. But let us not forget the importance of opening our markets for global stability and for a strong economy in the U.S.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

(Ms. MILLENDER-MCDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

INTRODUCTION OF THE HIGGINS GOLD MEDAL RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. JEFFERSON) is recognized for 5 minutes.

Mr. JEFFERSON. Mr. Speaker, I rise today to announce that I have introduced a resolution on behalf of the entire Louisiana delegation that will honor some long-forgotten and overlooked heroes of World War II.

These heroes were not soldiers or sailors or aviators. These silent heroes were hard-working men and women from Louisiana. However, according to President Dwight Eisenhower who served as Supreme Commander of the Allied Forces, the ingenuity and hard work of these unsung heroes played an enormous role in winning World War II.

Mr. Speaker, this legislation will award a Congressional Gold Medal to the late Andrew Jackson Higgins and another Congressional Gold Medal to his workforce of 20,000 at Higgins Industries in New Orleans, Louisiana. These medals will recognize their contribution to the Nation, to the Allied victory in World War II and to world peace.

Let me briefly explain why the late Mr. Higgins and the employees of Higgins Industries deserve this long-overdue recognition.

Andrew Jackson Higgins designed and engineered high-speed boats and various types of military landing craft, later to be known as ''Higgins boats.''

Higgins boats were constructed of wood and steel and transported fully armed troops, light tanks and other mechanized equipment essential to all Allied amphibious landing operations, including the decisive D-Day attack at Normandy, France.

Mr. Higgins also designed, engineered, and constructed four major assembly plants in New Orleans for mass production of Higgins landing craft and other vessels vital to the Allied forces' conduct of World War II.

Higgins Industries employed more than 20,000 workers at his eight plants in New Orleans. They worked around the clock over 4 years. At peak production, they built 700 boats per month. By the end of the war, they had built 20,094 landing craft of all types, and trained 30,000 Navy, Marine, and Coast Guard personnel on the proper operation of these boats.

The slogan at Higgins Industries was: ''The guy who relaxes is helping the Axis.''

Beyond his genius in the design and engineering of the ''Higgins boats,'' Andrew Jackson Higgins possessed a foresight and a social conscience unheard of more than half a century ago.

Long before the United States had entered World War II, the late Mr. Higgins began to stockpile the materials needed to produce the thousands of landing craft and PT boats. His foresight contributed greatly to America's readiness when it finally did enter the war.

For example, Higgins bought the entire 1940 Philippine mahogany crop, anticipating a need for a stockpile of wood to build landing craft when American entered the war.

Besides his foresight and ingenuity, Higgins instituted a progressive social policy at Higgins Industries, where he employed a fully integrated assembly workforce of black and white men and women. His policy was equal pay for equal work decades before integration and racial and gender equality became the law of our land.

Mr. Speaker, after review of Mr. Higgins' contributions and the output of Higgins Industries during the early years of World War II, it is easy to understand Eisenhower's admiration and praise. On Thanksgiving, 1944, then General Eisenhower reported home, ''Let us thank God for Higgins Industries' management and labor which has given us the landing boats with which to conduct our campaign.''

Then again in 1964, President Eisenhower said of Andrew Higgins: ''He is the man who won the war for us. If Higgins had not produced and developed those landing craft, we never could have gone in over an open beach. We would have had to change the entire strategy of the war.''

Mr. Speaker, the time has come for our Nation and this Congress to recognize Andrew Jackson Higgins and his employees for their unparalleled contributions to our country, to victory in World War II, and to world peace.

Indeed, this tribute is just in time for June 6, 2000, the 55th anniversary of the Allied landing at Normandy, when the National D-Day Museum will be dedicated and opened in New Orleans.

There are not adequate words to describe the vision and patriotism of Andrew Jackson Higgins and his employees. He understood what is needed to win World War II long before America was a participant, and he went beyond the call of duty to be prepared to serve his country. Then, his employees undertook the Herculean task of building the boats that won the war.

Mr. Speaker, I ask all of our colleagues to join me and award a Congressional Gold Medal to the late Andrew Jackson Higgins and a second Congressional Gold Medal to the employees of Higgins Industries. These forgotten heroes of World War II provided a decisive and essential contribution to the United States and the Allied victory in World War II, blacks and whites, men and women, working side by side, equal pay for equal work, building the boats that won the war.

Mr. Speaker, these silent heroes must be honored and should always be remembered and the award of a Congressional Gold Medal to them is highly in order at this time.

CONGRATULATING THE CHICAGO DAILY DEFENDER ON ITS 95TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise to extend congratulations to the Chicago Daily Defender newspaper on the celebration of its 95th year. The Chicago Defender was founded as a weekly newspaper on May 5, 1905 by Robert Sengstacke Abbott. His goal was to use the power of the press to address concerns of blacks worldwide, with special emphasis on the United States.

During Mr. Abbott's lifetime, the Chicago Defender amassed impressive achievements. Some examples are the Great Migration, the mass exodus of blacks from the South to the so-called promised land of the North; the first black publication to reach a circulation of 100,000; initiation of the Bud Billiken Parade, and much more.

Mr. Abbott formulated the following nine-point platform for his paper in 1905:

Racial prejudice worldwide must be destroyed;

Racially unrestricted membership in all unions;

Equal Employment Opportunities on all jobs, public and private;

True representation in all United States police forces;

Complete cessation of all school segregation;

Establishment of open occupancy in all American housing;

Federal intervention to protect civil rights in all instances where civil rights compliance at the State level breaks down;

Representation in the President's Cabinet;

Federal legislation to abolish lynching.

□ 1715

Mr. Abbott passed in 1940. Upon his death, John Sengstacke, his nephew, took over operations of the newspaper. Despite the change, the achievements continued.

Under Mr. Sengstacke's leadership, the National Newspaper Publisher's Association, an organization of black newspaper publishers, was formed. This occurred despite skepticism about uniting the Black publishers into one organization.

Another accomplishment, despite belief that it would not work, was the conversion of the Chicago Defender from a weekly to a daily newspaper in 1956. Mr. Sengstacke was also instrumental in integrating the armed forces through several presidential administrations, integrating major league baseball, construction of the new Provident Hospital, and continuation of the Bud Billiken parade. Today the parade is sponsored by the Chicago Defender Charities and is second in size only to the Tournament of Roses Parade.

In 1997, John Sengstacke passed, leaving behind Sengstacke Enterprises, which includes the Chicago Defender, the Michigan Chronicle in Detroit, the Pittsburgh Courier, and the Tri-State Defender in Memphis.

Today the Chicago Defender remains a significant force in journalism. Its importance is noted by the fact that only two points of the original nine-point platform have been removed. They are representation in the President's cabinet and Federal legislation to abolish lynching. The presence of the remaining seven points and their existence since 1905 is the principal guiding force of this publication as it moves forward.

This paper, Madam Speaker, was an inspiration to many, even to myself as I was a young boy growing up in rural Arkansas, where we used to wait for the pullman porters to bring copies of the Defender to our town. As a result of

reading the Defender, it gave us contact with the outside world.

The Defender has been most fortunate to have outstanding journalists like Lou Palmer, Vernon Jarrett, Faith Christmas, Jennifer Strasburg, and countless others.

So as they celebrate their 95th year anniversary, I simply want to say to the Defender and all of its staff persons, continue the great legacy, continue the great work. They have been an inspiration, and they continue to be a bright star that shines.

CHICAGO DAILY DEFENDER COMMEMORATION

The SPEAKER pro tempore (Mrs. MORELLA). Under a previous order of the House, the gentleman from Illinois (Mr. RUSH) is recognized for 5 minutes.

Mr. RUSH. Madam Speaker, this evening I rise to pay special tribute to a publication of historic proportions in the city of Chicago.

Five years into the last century, the Chicago Defender created for itself a permanent place in the history of American journalism by becoming Chicago's most influential African American newspaper. Without fail, since 1905, the Daily Defender has provided news and information regarding African Americans and the Black Diaspora. In doing so, this newspaper fills an important void in Chicago's media because it tells the stories that much too often are not covered by other mainstream publications.

In the Defender's early years, its founder, Robert Sengstacke Abbott, realized several impressive achievements, including orchestrating the ''Great Migration'' campaign. This campaign brought about the mass exodus of African Americans from the racist South to the ''promised land'' of the north.

The continued visionary leadership of Mr. Abbott's nephew, Robert Sengstacke, has led to Sengstacke Enterprises which includes, not only the Chicago Defender, but also the Michigan Chronicle in Detroit, the Pittsburgh Courier in Pittsburgh, and the Tri-State Defender in Memphis, Tennessee.

The Defender family has become a responsive and generous corporate citizen over the many years. Their philanthropic arm, the Chicago Daily Defender Charities, has created, developed, and sponsored various community events, including the largest parade in the city of Chicago, the beloved Bud Billiken Parade. Each charitable effort has enriched the lives of our people, our city, and our Nation.

The Defender has provided a medium for several talented award-winning African American journalists, including Dr. Metz T.P. Lochard, W.E. DeBois, Langston Hughes, and Vernon Jarrett. Their outstanding work provided the foundation for the journalistic standard that the newspaper continues to meet today.

So on this day, I rise to congratulate the Chicago Defender on 95 years of consistent, vital, exemplary work. It is my hope and my express desire that the Defender will continue to publish into the next century and beyond.

OCCASION OF THE INTRODUCTION OF THE FARMERS FOR AFRICA ACT OF 2000

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Madam Speaker, in this era of global economies, nations are becoming more interconnected and interdependent on one another. It is critical, therefore, that the economies of the developing nations are not left behind. It is critical that these nations have stable and efficient economies.

It is vitally important, therefore, that we assist in integrating Africa into the global economy. Boosting economic development and self-sufficiency for Africa are keys to achieving this end.

It is for these reasons and others that I was pleased to vote for the African Trade Development Act of 2000.

Generally we only hear about Africa when issues of hunger, welfare, and natural disaster emerge. It is true that hunger estimates in Africa range in upward of 215 million chronically undernourished persons. Yes, we need to be concerned and provide as much assistance as possible. However, there is an old cliche that says, ''Give a man a fish, and he will eat for a day. Teach a man to fish, and he will eat forever.'' At no other time is this cliche more are appropriate for African countries.

As a Nation we have the resources, the capacity, and the capability to teach the tools needed to ensure that their economies grow in strength and prosperity. One of the tools we can teach involve agribusiness. Agriculture is a primary sector in the economy for many African nations. It is here that we can provide the tools necessary to technologically upgrade the agriculture methods and processes. The proposed legislation, Farmers for African Act of 2000, provide these tools.

Farmers from the United States can help. Our farmers have the tools and skills to help. They have the ability to train African farmers to use and adopt state-of-the-art farming techniques and agribusiness skills.

In African countries like Mozambique, farmers need our help. Ravaging flood waters have left the lands devastated and thousands homeless and hungry. Their farmers need help. Our farmers can help. We ought to help.

Farmers in Zimbabwe need help. In that country, thousands of persons have received parcels of land to farm but do not have the agriculture skills or training to be successful. These farmers, too, need our help. Our farmers can help. We ought to help.

In Ghana, one of the most stable and productive countries in Africa, farmers there, too, need our help. American farmers, through their efficiency in using the most modern technologically sound agriculture and agribusiness techniques, can help African farmers.

This will not only help boost African crop yield and efficiency so that these Nations can produce enough goods to feed themselves, but it will also improve the competitiveness of African farmers in the rural market.

In addition, through the establishment of partnerships between Africa and American farmers, we can also create new avenues for delivering goods and services to African countries in need.

I urge my colleagues to join me in supporting farmers. Join me in supporting farmers in Africa and America. The legislation I and others have introduced today is designed to establish a bilateral exchange program between Africa and America, one that benefits both continents.

Madam Speaker, the legislation is budget neutral. Let me repeat that. The legislation is budget neutral, because it is funded through the existing product purchasing programs.

The nations that will be helped by this program will purchase products from the United States, and part of the revenue from those purchases can be used to fund the activities contemplated by this bill. It will not cost American taxpayers anything.

It will help 45 agriculture and African nations as well as highlight the importance of increasing trade and exchange opportunities with Africa.

This is timely legislation. It is necessary legislation. Please join us in supporting this measure. With this legislation, America will assist in providing the tools that would enable African countries to be competitive in the global economy. The legislation provides the tools in helping African nations eat forever.

THE WORLD TRADE ORGANIZATION, THE END OF GEOGRAPHY?

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Washington (Mr. METCALF) is recognized for 60 minutes as the designee of the majority leader.

Mr. METCALF. Madam Speaker, during 1969, C.P. Kindleberger wrote that the ''nation-state is just about through as an economic unit.'' He added that the U.S. Congress and right-wing-know-nothings in all countries were unaware of this. He added, ''The world is too small. Two-hundred-thousand ton tank and ore carriers and airbuses and the like will not permit sovereign independence of the nation-state in economic affairs.''

Before that, Emile Durkheim stated, ''The corporations are to become the elementary division of the state, the fundamental political unit. They will efface the distinction between public and private, dissect the democratic

citizenry into discrete functional groupings, which are no longer capable of joint political action.''

Durkheim went so far as to proclaim that through corporations' scientific rationality it ''will achieve its rightful standing as the creator of collective reality.''

There is little question that part of these statements are accurate. America has seen its national sovereignty slowly diffused over a growing number of International Governing Organizations. The WTO, the World Trade Organization, is just the latest in a long line of such developments that began right after World War II. I am old enough to remember that time.

But as the protest in Seattle against the WTO Ministerial Meeting made clear, the democratic citizenry seemed well prepared for joint political action. Though it has been pointed out that many, if not the majority, of protesters did not know what the WTO was and much of the protest itself entirely missed the mark regarding WTO culpability in many areas proclaimed, this remains but a question of education. It is the responsibility of the citizens' representatives to begin that process.

We may not entirely agree with the former head of the Antitrust Division of the U.S. Department of Justice, Thurman Arnold when he stated that the United States had ''developed two coordinate governing classes: the one, called 'business', building cities, manufacturing and distributing goods, and holding complete and autocratic power over the livelihood of millions; the other, called 'government', concerned with preaching and exemplification of spiritual ideals, so caught in a mass of theory that when it wished to move in a practical world, it had to do so by means of a sub rosa political machine.''

□ 1730

But surely the advocate of corporate governments today, housed quietly inefficiency within the corridors of power at WTO, OECD, IMF and the World Bank, clearly believe.

Corporatism as ideology, and it is an ideology; as John Ralston Saul recently referred to it as a highjacking of first our terms, such as individualism, and then a highjacking of Western civilization, the result being ''the portrait of a society addicted to ideologies, a civilization tightly held at this moment in the embrace of a dominant ideology: Corporatism.''

As we find our citizenry affected by this ideology and its consequences, consumerism, ''the overall effects on the individual are passivity and conformity in those areas that matter, and nonconformity in those which do don't.'' We do know more than ever before just how we got here. The WTO is the red-haired stepchild of the General Agreement on Tariffs and Trade, GATT, which began, in 1948, its quest for a global regime of economic interdependence.

But by 1972, some Members of Congress saw the handwriting on the wall, and it was a forgery. Senator Long, while chairman of the Senate Committee on Finance, made these comments to Dr. Henry Kissinger regarding the completion and prepared signing of the Kennedy round of the GATT accords. Here is what he said: ''If we trade away American jobs and farmers' incomes for some vague concept of a new international order, the American people will demand from their elected representatives a new order of their own, which puts their jobs, their security and their incomes above the priorities of those who have dealt them a bad deal.''

But we know that few listened, and 20 years later the former chairman of the International Trade Commission argued that it was the Kennedy round that began the slow decline in American's living standards. Citing statistics in his point regarding the loss of manufacturing jobs and the like, he concluded with what must be seen as a warning:

''The Uruguay Round and the promise of the North American Trade Agreement all may mesmerize and motivate Washington policymakers, but in the American heartland those initiatives translate as further efforts to promote international order at the expense of existing American jobs.''

We are still not listening. Certainly the ideologists of corporatism cannot hear us. They are, in fact, pressing the same ideological stratagem in the journals that matter, like ''Foreign Affairs'' and the books coming out of the elite think tanks and nongovernmental organizations. One such author, Anne-Marie Slaughter, proclaimed her rather self-important opinion that State sovereignty was little more than a status symbol and something to be attained now through ''transgovernmental'' participation. That would presumably be achieved through the WTO for instance?

Stephan Krasner in the volume ''International Rules'' goes into more detail by explaining global regimes as functional attributes of world order environmental regimes, financial regimes and, of course, trade regimes. I quote: ''In a world of sovereign states, the basic function of regimes is to coordinate state behavior to achieve desired outcomes in particular issue areas. If, as many have argued, there is a general movement toward a world of complex interdependence, then the number of areas in which regimes can matter is growing.''

But we are not here speaking of changes within an existing regime whereby elected representatives of free people make adjustments to new technologies, new ideas, and further betterment for their people. The first duty of elected representatives is to look out for their constituency. The WTO is not changes within the existing regime, but an entirely new regime. It has assumed an unprecedented degree of American sovereignty over the economic regime of the Nation and the world.

Then who are the sovereigns? Is it the people, the ''nation'' in nation-state? I do not believe so. I would argue that who governs, rules; and who rules is sovereign. And the people of America and their elected representatives do not rule nor govern at the WTO but corporate diplomats, a word decidedly oxymoronic.

Who are these new sovereigns? Maybe we can get a clearer picture by looking at what the WTO is in place to accomplish. I took interest in an article in ''Foreign Affairs,'' the name of which is ''A New Trader Order,'' volume 72, number 1, by Cowhey and Aronson. Quoting their article: ''Foreign investment flows are only about 10 percent the size of the world trade flows each year, but intra-firm trade, for example, sales by Ford Europe to Ford USA, now accounts for up to an astonishing 40 percent of all U.S. trade.''

This complex interdependence we hear of every day inside the beltway is nothing short of miraculous according to the policymakers who are mesmerized by all of this. But, clearly, the interdependence is less between the people of the ''nation'' states than between the ''corporations'' of the corporate-states.

Richard O'Brien, in his book entitled ''Global Financial Integration: The End of Geography,'' states the case this way: ''The firm is far less whetted to the idea of geography. Ownership is more and more international and global, divorced from national definitions. If one marketplace can no longer provide a service or an attractive location to carry out transactions, then the firm will actively seek another home. At the level of the firm, therefore, there are plenty of choices of geography.''

O'Brien seems unduly excited when he adds, ''The glorious end of geography prospect for the close of this century is the emergence of a seamless global financial market. Barriers will be gone, service will be global, the world economy will benefit and so too, presumably, the consumer.'' Presumably?

Counter to this ideological slant, and it is ideological, O'Brien notes the ''fact that governments are the very embodiment of geography, representing the nation-state. The end of geography is, in many respects, about the end or diminution of sovereignty.''

In a rare find, a French author published a book titled ''The End of Democracy.'' John-Marie Guehenno has served in a number of posts for the French government, including their ambassador to the European Union. He suggests this period we live in is an imperial age. Let me quote him: ''The imperial age is an age of diffuse and continuous violence. There will no longer be any territory to defend, but only order, operating methods, to protect. And this abstract security is infinitely more difficult to ensure than that of a world in which geography commanded history. Neither rivers nor oceans protect the delicate mechanisms of the

imperial age from a menace as multiform as the empire itself.''

The empire itself? Whose empire? In whose interests? Political analyst Craig B. Hulet, in his book titled ''Global Triage: Imperium in Imperio'' refers to this new global regime as Imperium in Imperio, or power within a power: a state within a state. His theory proposes that these new sovereigns are nothing short of this, and I quote him: ''They represent the power not of the natural persons which make up the nations' peoples, nor of their elected representatives, but the power of the legal paper-person recognized in law. The corporations themselves are, then, the new sovereigns.

And in their efforts to be treated in law as equals to the citizens of each separate state, they call this ''National Treatment,'' they would travel the sea; and wherever they land ashore, they would be citizens here and there. Not even the privateers of old would have dared to impose this will upon nation-states.

Can we claim to know today what this rapid progress of global transformation will portend for democracy here at home? We understand the great benefits of past progress. We are not Luddites here. We know what refrigeration can do for a child in a poor country; what clean water means to everyone everywhere; what free communications has already achieved. But are we going to unwittingly sacrifice our sovereignty on the altar of this new god, ''Progress''? Is it progress if a cannibal uses a knife and fork?

Can we claim to know today what this rapid progress of global transformation will portend for national sovereignty here at home? We protect our way of life, our children's future, our workers' jobs, our security at home by measures often not unlike our airports are protected from pistols on planes. But self-interested ideologies, private greed, and private powers' bad ideas escape our mental detectors.

We seem to be radically short of leadership where this active participation in the process of diffusing America's power over to and into the private global monopoly capitalist regime is today pursued without questioning its basis at all. An empire represented by not just the WTO, but clearly this new regime is the core ideological success for corporatism.

□ 1745

The only remaining step, according to Harvard Professor Paul Krugman, is the finalization of a completed Multilateral Agreement on Investments, which failed at OECD.

According to OECD, the agreement's actual success may come through, not a treaty this time, but arrangements within corporate governance itself, quietly being hashed out at the IMF and World Bank as well as OECD. We are not yet the United Corporations of America. Or are we?

The WTO needs to be scrutinized carefully, debated, hearings, and public participation where possible. I would say absolutely indispensable, full hearings.

We can, of course, as author Christopher Lasch notes, peer inward at ourselves as well when he argued, ''The history of the twentieth century suggests that totalitarian regimes are highly unstable, evolving toward some type of bureaucracy that fits near the classic fascist nor the socialist model.

None of this means that the future will be safe for democracy, only that the threat to democracy comes less from totalitarian or collective movements abroad than from the erosion of psychological, cultural, and spiritual foundations from within.''

Are we not witness to, though, the growth of a global bureaucracy being created not out of totalitarian or collectivist movements, but from the autocratic corporations which hold so many lives in their balance? And where shall we redress our grievances when the regime completes its global transformation? When the people of each Nation and their State find they can no longer identify their rulers, their true rulers? When it is no longer their State which rules?

The most recent U.N. Development Report documents how globalization has increased inequality between and within nations while bringing them together as never before.

Some are referring to this, Globalization's Dark Side, like Jay Mazur recently in Foreign Affairs. He said, ''A world in which the assets of the 200 richest people are greater than the combined income of the more than 2 billion people at the other end of the economic ladder should give everyone pause. Such islands of concentrated wealth in the sea of misery have historically been a prelude to upheaval. The vast majority of trade and investment takes place between industrial nations, dominated by global corporations that control a third of the world exports. Of the 100 largest economies of the world, 51 are corporations,'' just over half.

With further mergers and acquisitions in the future, with no end in sight, those of us that are awake must speak up now.

Or is it that we just cannot see at all, believing in our current speculative bubble, which nobody credible believes can be sustained for much longer, we missed the growing anger, fear and frustration of our people; believing in the myths our policy priests pass on, we missed the dissatisfaction of our workers; believing in the god ''progress,'' we have lost our vision.

Another warning, this time from Ethan Kapstein in his article ''Workers and the World Economy'' in Foreign Affairs, Vol. 75, No. 3:

''While the world stands at a critical time in post war history, it has a group of leaders who appear unwilling, like their predecessors in the 1930's, to provide the international leadership to meet economic dislocations. Worse, many of them and their economic advisors do not seem to recognize the profound troubles affecting their societies.

''Like the German elite in Weimar, they dismiss mounting worker dissatisfaction, fringe political movements, and the plight of the unemployed and working poor as marginal concerns compared with the unquestioned importance of a sound currency and a balanced budget. Leaders need to recognize their policy failures of the last 20 years and respond accordingly. If they do not, there are others waiting in the wings who will, perhaps on less pleasant terms.''

We ought to be looking very closely at where the new sovereigns intend to take us. We need to discuss the end they have in sight. It is our responsibility and our duty.

Most everyone today agrees that socialism is not a threat. Many feel communism, even in China, is not a threat, indeed, that there are few real security threats to America that could compare to even our recent past.

Be that as it may, when we speak of the global market economy, free enterprise, massage the terms to merge with managed competition and planning authorities, all the while suggesting that we have met the hidden hand and it is good, we need to also recall what Adam Smith said but is rarely quoted upon.

He said, ''Masters are always and everywhere in a sort of tacit, but constant and uniform, combination, not to raise the wages of labor above their actual rate. To violate this combination is everywhere a most unpopular action, and a sort of reproach to a master among his neighbors and equals. We seldom, indeed, hear of this combination, because it is usual, and, one may say, the natural state of affairs. Masters too sometimes enter into particular combinations to sink wages of labor even below this rate. These are always conducted with the utmost silence and secrecy, till the moment of execution.''

And now precisely, whose responsibility is it to keep an eye on the masters?

I urge my colleagues, Republicans and Democrats, left and right on the political spectrum, to boldly restore the oversight role of the Congress with one stroke and join my colleagues in supporting H.J. Res. 90 in restoring the constitutional sovereignty of these United States.

STATE DEPARTMENT CITES PAKISTANI LINK TO TERRORIST GROUPS

The SPEAKER pro tempore (Mrs. MORELLA). Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Madam Speaker, yesterday the U.S. State Department released its annual report on terrorism worldwide called ''Patterns of Global Terrorism, 1999 Report.''

The report provides some very interesting and very troubling findings about where the threats to U.S. interests, U.S. citizens, and international stability have been coming from during the past year.

One of the most dramatic findings of the report is that Pakistan, traditionally an ally of the United States, is guilty of providing safe haven and support to international terrorist groups.

Unfortunately, Madam Speaker, the State Department stopped short of adding Pakistan to the list of seven nations that are described as state sponsors of terrorism.

Madam Speaker, at the beginning of this year, I introduced legislation calling on the State Department to declare Pakistan a terrorist state. I believe that the information made public this week gives added urgency to that effort.

To quote, if I may, Madam Speaker, from the section of the State Department's report dealing with South Asia, it says, ''In 1999, the locus of terrorism directed against the United States continued to shift from the Middle East to South Asia.'' The report goes on to cite the Taliban, which controls significant areas of Afghanistan, for providing safe haven for international terrorists, particularly Usama Bin Ladin and his network.

As the report points out, ''Pakistan is one of only three countries that maintains formal diplomatic relations with and one of several that supported Afghanistan's Taliban.''

The report goes on to say, ''The United States made repeated requests to Islamabad,'' the Pakistan capital, ''to end support for elements harboring and training terrorists in Afghanistan and urged the Government of Pakistan to close certain Pakistani religious schools that serve as conduits for terrorism. Credible reports also continue to indicate official Pakistani support for Kashmiri militant groups, such as the Harakat ul-Mujahedin, or HUM, that engaged in terrorism.'' This organization has been linked to the hijacking late last year of the Air India flight, and one of the hijackers' demands was that a leader of the HUM be freed from prison in India in exchange for the innocent hostages on the aircraft. That leader has since returned to Pakistan, according to the State Department.

I might also add, Madam Speaker, that this organization, the HUM, under a previous name has been linked to the kidnapping of Western tourists in Kashmir. Two of those Westerners have been murdered; and several others, including an American, remain unaccounted for.

The region of Kashmir has been ground zero for much of the Pakistani-supported terrorist activity. The State Department report notes that, ''Kashmiri extremist groups continue to operate in Pakistan, raising funds and recruiting new cadre.'' It blames these groups for numerous terrorist attacks against civilian targets in India's State of Jammu and Kashmir.

After last summer's U.S. diplomatic intervention to end Pakistan's incursion onto India's side of the Line of Control in Kashmir, Pakistani and Kashmiri extremist groups worked to stir up anti-American sentiment.

As my colleagues can imagine, Madam Speaker, at yesterday's briefing on the release of the report, Michael Sheehan, the State Department's Coordinator for counterterrorism, was put on the defensive as to why Pakistan was not designated as a state sponsor of terrorism when the report contained such damning information.

The agency's response is that Pakistan has sent mixed messages, on the one hand cooperating on extradition and embassy security, while, on the other hand, having relationships with the Kashmiri groups and the Taliban.

But, Madam Speaker, Ambassador Sheehan warned, ''for state sponsorship or the designation of foreign terrorist organizations, you can do it any time of the year.''

Madam Speaker, the U.S. Counterterrorism Policy is very simple: First, make no concessions to terrorists and strike no deals; second, bring terrorists to justice for their crimes; third, isolate and apply pressure on states that sponsor terrorism to force them to change their behavior; and fourth, bolster the counter-terrorism capabilities of those countries that work with the United States and require assistance.

Madam Speaker, I hope that the State Department will pay particular attention to the third and fourth points with regard to Pakistan and South Asia.

President Clinton, during his recent trip to South Asia, tried to appeal to the Pakistani military junta to cease support for terrorist organizations and activities. The pressure on Pakistan must be maintained and strengthened. Pakistani leaders should be reminded that the threat that their country could be designated as a terrorist state is a real one that could be invoked at any time.

India has been the prime victim of terrorism emanating from or supported by Pakistan. Thus, in keeping with the fourth point of the State Department's stated policy, we should strive to work much more closely with India, a democracy, on counter-terrorism efforts.

We can only hope that reason will prevail in Islamabad and that the Pakistani Government will see that the result of its present course will be increased isolation from the world community. If not, then we must be prepared to follow through and declare Pakistan a state that sponsors terrorism, with all of the stigma and isolation that goes with such a declaration.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCHUGH (at the request of Mr. ARMEY) for today after 2:00 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. INSLEE) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mr. RUSH, for 5 minutes, today.

Mr. DOOLEY of California, for 5 minutes, today.

Mr. SMITH of Washington, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. JEFFERSON, for 5 minutes, today.

Mr. INSLEE, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

(The following Members (at the request of Mr. WHITFIELD) to revise and extend their remarks and include extraneous material:)

Mr. FOLEY, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. CLAYTON, for 5 minutes, today.

ADJOURNMENT

Mr. PALLONE. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p.m.), under its previous order, the House adjourned until Monday, May 8, 2000, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7456. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Brucellosis in Cattle; State and Area Classifications; Arkansas [Docket No. 97–108–2] received March 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7457. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Prevailing Rate Systems; Abolishment of the Franklin, PA, Non-appropriated Fund Wage Area (RIN: 3206–AJ00) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

7458. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Prevailing Rate Systems; Abolishment of the Lebanon, PA, Non-appropriated Fund Wage Area (RIN: 3206–AJ01) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

7459. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Atka MACKerel in the Central Aleutian District and Bering Sea subarea of the Bering Sea and Aleutian Islands [Docket No. 000211040–0040–01; I.D. 022500B] received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

7460. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Marshalltown, IA [Airspace Docket No. 99–ACE–52]—received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7461. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Iowa City, LA [Airspace Docket No. 99–ACE–50] received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7462. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Fredericktown, MO; Correction [Airspace Docket No. 99–ACE–47] received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7463. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Regulations; Atlantic Intracoastal Waterway, FL [CGD07–00–008] (RIN: 2115–AE47) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7464. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9, Model MD–90–30, Model 717–200, and Model MD–88 airplanes [Docket No. 2000–NM–58–AD; Amendment 39–11595; AD 2000–03–51] (RIN: 2120–AA64) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7465. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron Canada Model 222, 222B, 222U, and 230 Helicopters [Docket No. 99–SW–77–AD; Amendment 39–11598; AD 2000–04–15] (RIN: 2120–AA64) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7466. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aerospatiale Model ATR72 Series Airplanes [Docket No. 98–NM–240–AD; Amendment 39–11596; AD 2000–04–13] (RIN: 2120–AA64) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7467. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–100, -200, and -300 Series Airplanes [Docket No. 99–NM–366–AD; Amendment 39–11600; AD 2000–04–17] (RIN: 2120–AA64) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7468. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Esterville, IA [Airspace Docket No. 99–ACE–54] received March 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7469. A letter from the Program Analyst, FAA, Department Of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Model 560 Series Airplanes [Docket No. 98–NM–312–AD; Amendment 39–11568; AD 2000–03–09] (RIN: 2120–AA64) received March 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7470. A letter from the Director, Veterans Benefits Administration, Department of Veterans Affairs, transmitting the Department's final rule— Criteria for Approving Flight Courses for Educational Assistance Programs (RIN: 2900–AI76) received March 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

7471. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Department Store Indexes [Rev. Rul. 2000–14] received March 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ARCHER: Committee of Conference. Conference report on H.R. 434. A bill to authorize a new trade and investment policy for sub-Sahara Africa (Rept. 106–606). Ordered to be printed.

Mr. REYNOLDS: Committee on Rules. House Resolution 489. Resolution waiving points of order against the conference report to accompany the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa (Rept. 106–607). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. STUMP (for himself, Mr. EVANS, Mr. QUINN, and Mr. FILNER):

H.R. 4376. A bill to amend title 38, United States Code, to permit certain members of the Individual Ready Reserve to participate in the Servicemembers' Group Life Insurance program; to the Committee on Veterans' Affairs.

By Mr. YOUNG of Alaska:

H.R. 4377. A bill to provide Outer Continental Shelf Impact Assistance to State and local governments, to amend the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act of 1978, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-ROBERTSon Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CLAYTON (for herself, Mr. CLAY, Ms. KILPATRICK, Ms. MCKINNEY, Mrs. MEEK of Florida, Mr. HILLIARD, Mr. JEFFERSON, Mr. DAVIS of Illinois, Mr. CLYBURN, Mr. RUSH, Mr. MCDERMOTT, Mr. RANGEL, Mr. HASTINGS of Florida, Mr. PAYNE, Mr. THOMPSON of Mississippi, Ms. CARSON, Mr. TOWNS, Mr. OWENS, Mr. WYNN, Ms. BROWN of Florida, Mr. SCOTT, and Mrs. CHRISTENSEN):

H.R. 4378. A bill to establish a grant program in the Department of Agriculture to support bilateral exchange programs whereby African-American farmers and other agricultural farming specialist share technical knowledge with African farmers regarding maximization of crop yields, expansion of trade in agricultural products, and ways to improve farming in Africa, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. DUNN:

H.R. 4379. A bill to amend the Internal Revenue Code of 1986 to allow non-itemizers a deduction for a portion of their charitable contributions, and for other purposes; to the Committee on Ways and Means.

By Mr. LAFALCE (for himself, Mr. DINGELL, Mr. MARKEY, Mr. FRANK of Massachusetts, Mr. KANJORSKI, Ms. WATERS, Mrs. MALONEY of New York, Mr. GUTIERREZ, Mr. MEEKS of New York, Ms. LEE, Mr. INSLEE, Ms. SCHAKOWSKY, Mrs. JONES of Ohio, Mr. SANDERS, Mr. KENNEDY of Rhode Island, Mr. WAXMAN, Ms. ESHOO, Mr. BARRETT of Wisconsin, Mr. LUTHER, Mr. STARK, Mr. HINCHEY, and Mr. RUSH):

H.R. 4380. A bill to strengthen consumers' control over the use and disclosure of their personal financial and health information by financial institutions, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GREEN of Wisconsin (for himself and Mr. NUSSLE):

H.R. 4381. A bill to amend the Internal Revenue Code of 1986 to provide that income averaging for farmers shall be applied by taking into account negative taxable income during the base period years; to the Committee on Ways and Means.

By Mr. HALL of Ohio (for himself and Mr. HOBSON):

H.R. 4382. A bill to amend title 5, United States Code, to provide temporary authority to offer voluntary separation incentives and early retirement to civilian employees of the Department of the Air Force and to provide experimental hiring and personnel management authority for the Department for the purpose of maintaining continuity in the skill level of employees and adapting workforce skills to emerging technologies critical to the needs of the Department; to the Committee on Government Reform.

By Mr. HERGER:

H.R. 4383. A bill to amend the Internal Revenue Code of 1986 to clarify that qualified personal service corporations may continue to use the cash method of accounting, and for other purposes; to the Committee on Ways and Means.

By Mr. JEFFERSON (for himself, Mr. TAUZIN, Mr. MCCRERY, Mr. BAKER, Mr. JOHN, Mr. COOKSEY, and Mr. VITTER):

H.R. 4384. A bill to authorize the President to award gold medals on behalf of the Congress to the family of Andrew Jackson Higgins and the wartime employees of Higgins

Industries, in recognition of their contributions to the Nation and to the Allied victory in World War II; to the Committee on Banking and Financial Services.

By Mr. METCALF:

H.R. 4385. A bill to amend title 46, United States Code, with respect to the Federal preemption of State law concerning the regulation of marine and ocean navigation, safety, and transportation by States; to the Committee on Transportation and Infrastructure.

By Mrs. MYRICK (for herself, Ms. DANNER, and Mr. LAZIO):

H.R. 4386. A bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a federally funded screening program, to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act with respect to surveillance and information concerning the relationship between cervical cancer and the human papillomavirus (HPV), and for other purposes; to the Committee on Commerce.

By Ms. NORTON (for herself and Mr. DAVIS of Virginia):

H.R. 4387. A bill to provide that the School Governance Charter Amendment Act of 2000 shall take effect upon the date such Act is ratified by the voters of the District of Columbia; to the Committee on Government Reform.

By Ms. SANCHEZ (for herself, Mr. BARTLETT of Maryland, Mr. ANDREWS, and Ms. MCKINNEY):

H.R. 4388. A bill to amend title 10, United States Code, to provide improved benefits training to members of the Armed Forces to enhance retention, and for other purposes; to the Committee on Armed Services.

By Mr. SCHAFFER:

H.R. 4389. A bill to direct the Secretary of the Interior to convey certain water distribution facilities to the Northern Colorado Water Conservancy District; to the Committee on Resources.

By Mr. STARK (for himself, Mr. RANGEL, Mr. GEORGE MILLER of California, Mr. MCDERMOTT, Mrs. JONES of Ohio, Mr. FRANK of Massachusetts, Mr. CONYERS, and Mrs. MEEK of Florida):

H.R. 4390. A bill to amend the Social Security Act to guarantee comprehensive health care coverage for all children born after 2001; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FOSSELLA (for himself, Mr. CROWLEY, Mr. SHERWOOD, Mr. KING, Mr. LAZIO, Mrs. KELLY, Mr. GILMAN, Mr. SWEENEY, Mr. WALSH, Mr. REYNOLDS, Mr. SMITH of New Jersey, Mrs. ROUKEMA, Mr. FRANKS of New Jersey, and Mr. QUINN):

H. Con. Res. 317. Concurrent resolution expressing the sense of the Congress on the death of John Cardinal O'Connor, Archbishop of New York; to the Committee on Government Reform.

By Mr. ABERCROMBIE (for himself, Mrs. MORELLA, Ms. CARSON, Ms. MILLENDER-MCDONALD, Ms. BROWN of Florida, Mr. GREEN of Texas, Mr. HINOJOSA, Mr. CROWLEY, Mrs. CLAYTON, Mr. SANDERS, Mrs. TAUSCHER, Mr. MALONEY of Connecticut, Mr. CONYERS, Ms. BALDWIN, Ms. NORTON, Mr. PAYNE, Ms. DELAURO, Mr. MCNULTY, Mr. MCINTYRE, Mr. EVANS, Mr. SABO, Mr. ACKERMAN, Mr. STUPAK, and Mr. KENNEDY of Rhode Island):

H. Con. Res. 318. Concurrent resolution recognizing the significane of Equal Pay Day to demonstrate the disparity between wages paid to men and women; to the Committee on Government Reform.

By Mr. SHIMKUS (for himself, Mr. COX, Mr. CALVERT, Mr. ROHRABACHER, and Mr. KUCINICH):

H. Con. Res. 319. Concurrent resolution congratulating the Republic of Lativa on the 10th anniversary of the reestablishment of its independence from the rule of the former Soviet Union; to the Committee on International Relations.

By Mr. WELDON of Florida (for himself, Mr. ARMEY, Mr. DELAY, Mr. LARGENT, Mr. COBURN, and Mr. STEARNS):

H. Res. 490. A resolution to ensure that the fiscal year 2000 on-budget surplus is used to reduce publicly-held debt and provide tax relief to American taxpayers; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mr. WAMP, Mr. STUPAK, and Mr. LAHOOD):

H. Res. 491. A resolution naming a room in the House of Representatives wing of the Capitol in honor of former Representative G.V. ''Sonny'' Montgomery; to the Committee on Transportation and Infrastructure.

By Ms. GRANGER (for herself, Mr. BLUNT, Mr. CLEMENT, Mr. DEMINT, Mr. TANCREDO, Mr. BURR of North Carolina, Mr. ROGAN, Mr. PHELPS, Mr. PAUL, Mr. GIBBONS, Mr. DEAL of Georgia, Mr. SWEENEY, Mr. JENKINS, Ms. SANCHEZ, Mr. CUNNINGHAM, Mr. GALLEGLY, Mr. BACA, Mr. HINOJOSA, Mr. DEUTSCH, and Mr. HILLEARY):

H. Res. 492. A resolution expressing the sense of the House of Representatives in support of America's teachers; to the Committee on Education and the Workforce.

By Mr. HASTINGS of Florida:

H. Res. 493. A resolution expressing the sense of the House of Representatives that a commemorative postage stamp should be issued honoring the Fisk Jubilee Singers, and that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued; to the Committee on Government Reform.

By Mr. OXLEY (for himself, Mr. HALL of Ohio, Mr. PORTMAN, Mr. GILLMOR, Mr. NEY, Mr. LATOURETTE, Mr. REGULA, Mr. TRAFICANT, Mr. KUCINICH, Mr. CHABOT, Ms. PRYCE of Ohio, Mr. SAWYER, Ms. KAPTUR, Mr. BOEHNER, Mr. HOBSON, and Mr. KASICH):

H. Res. 494. A resolution expressing the sense of the House of Representatives that the Ohio State motto is constitutional and urging the courts to uphold its constitutionality; to the Committee on the Judiciary.

By Mrs. ROUKEMA (for herself, Mr. BEREUTER, Mr. BLILEY, Mr. BORSKI, Mr. MCINNIS, Mr. GOSS, Mr. PICKETT, and Mr. MCCOLLUM):

H. Res. 495. A resolution expressing the sense of the House regarding support for the Financial Action Task Force on Money Laundering, and the timely and public identification of noncooperative jurisdictions in the fight against international money laundering; to the Committee on Banking and Financial Services.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 48: Mr. STEARNS.

H.R. 49: Mrs. CLAYTON.

H.R. 175: Mr. GRAHAM.

H.R. 252: Mr. COX.

H.R. 303: Mr. WAMP.

H.R. 353: Mr. DEAL of Georgia and Mr. ROGAN.

H.R. 443: Mr. MOORE.

H.R. 460: Mr. KENNEDY of Rhode Island, Mr. BROWN of Ohio, Mr. SAXTON, and Mr. BARTLETT of Maryland.

H.R. 531: Mr. COBLE, Mr. ROGERS, Mr. LINDER, Mr. LAZIO, Mr. GIBBONS, Mrs. BIGGERT, and Mrs. JONES of Ohio.

H.R. 534: Mr. CUNNINGHAM, Mr. CAPUANO, and Ms. HOOLEY of Oregon.

H.R. 583: Ms. JACKSON-LEE of Texas and Mr. LAMPSON.

H.R. 612: Mr. EVANS.

H.R. 721: Mr. BONILLA.

H.R. 732: Mr. ANDREWS.

H.R. 797: Mr. WELDON of Florida.

H.R. 816: Mr. CALVERT.

H.R. 827: Mr. GEJDENSON and Mr. EVANS.

H.R. 864: Mr. KINGSTON and Mr. THOMPSON of Mississippi.

H.R. 896: Mr. SCHAFFER.

H.R. 920: Ms. CARSON and Mr. TOWNS.

H.R. 1044: Mr. MANZULLO and Mr. THORNBERRY.

H.R. 1053: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 1055: Mr. METCALF and Ms. MCKINNEY.

H.R. 1070: Mr. MCCRERY, Mr. HILLEARY, Mr. PACKARD, Mr. REYNOLDS, Mr. MOLLOHAN, Mr. BACA, Mr. BOYD, Mr. RYAN of Wisconsin, Mr. GUTKNECHT, Mr. WAMP, Mr. LATHAM, Mr. PETERSON of Minnesota, and Mr. MANZULLO.

H.R. 1130: Ms. RIVERS and Mr. KILDEE.

H.R. 1144: Mr. ENGLISH.

H.R. 1159: Ms. CARSON.

H.R. 1168: Mr. BECERRA, Mr. NORWOOD, Mr. SAWYER, and Mr. SPRATT.

H.R. 1187: Mr. DOOLEY of California, Mr. MCINTYRE, and Mr. GEKAS.

H.R. 1188: Mrs. MCCARTHY of New York.

H.R. 1227: Mr. STUPAK.

H.R. 1248: Ms. HOOLEY of Oregon, Mr. TIERNEY, Mr. BACA, Mr. SMITH of Texas, and Mr. MEEHAN.

H.R. 1322: Mr. SHADEGG, Mr. TIAHRT, Mr. MCCOLLUM, Mr. LUCAS of Kentucky, Mr. NETHERCUTT, Mr. JENKINS, Mr. MALONEY of Connecticut, Mr. VITTER, Mr. HEFLEY, Mr. UDALL of Colorado, Mr. GIBBONS, Mr. DEMINT, Mr. LEWIS of Kentucky, Mr. SPRATT, Mr. LARGENT, Mr. LAHOOD, Mr. SIMPSON, Mr. WALDEN of Oregon, Mr. BILIRAKIS, Mr. HOSTETTLER, and Mr. HERGER.

H.R. 1366: Mr. SKELTON, Mr. COOKSEY, and Mr. HUNTER.

H.R. 1387: Mr. HILL of Indiana and Mr. LARSON.

H.R. 1388: Mr. COOK, Mr. HASTINGS of Florida, Mr. ABERCROMBIE, Ms. KILPATRICK, and Mr. KLINK.

H.R. 1414: Mr. SASTON.

H.R. 1459: Mr. ISAKSON.

H.R. 1592: Mr. PETERSON of Pennsylvania.

H.R. 1634: Mr. TALENT and Mr. NETHERCUTT.

H.R. 1644: Mr. PETERSON of Minnesota.

H.R. 1771: Mr. STEARNS.

H.R. 1890: Mr. FRANK of Massachusetts.

H.R. 1914: Mr. ENGLISH.

H.R. 2263: Mr. GREENWOOD and Mr. UDALL of Colorado.

H.R. 2308: Mr. THUNE and Mrs. NORTHUP.

H.R. 2321: Mr. CONDIT and Mr. EVANS.

H.R. 2339: Mr. WYNN.

H.R. 2397: Mr. BOSWELL and Mr. HINOJOSA.

H.R. 2451: Mr. PETERSON of Minnesota, Mr. STUMP, and Mr. NETHERCUTT.

H.R. 2457: Mr. BALDACCI, Mr. GILMAN, Mr. ANDREWS, Mr. KLINK, Mr. GEORGE MILLER of California, and Mr. STARK.

H.R. 2498: Mr. BASS.

H.R. 2596: Mr. TOOMEY and Mr. HALL of Ohio.

H.R. 2640: Mr. STRICKLAND.

H.R. 2655: Mrs. EMERSON.
H.R. 2696: Ms. LOFGREN.
H.R. 2697: Mr. TALENT.
H.R. 2720: Mrs. MINK of Hawaii and Ms. DELAURO.
H.R. 2749: Mr. LEWIS of Kentucky, Mr. CHAMBLISS, and Mr. BILIRAKIS.
H.R. 2776: Mrs. LOWEY.
H.R. 2858: Mr. LAHOOD.
H.R. 2870: Mr. GOODLING.
H.R. 2894: Mr. STEARNS, Mr. MCCOLLUM, and Mrs. THURMAN.
H.R. 2900: Ms. WATERS, Mr. WU, and Mrs. KELLY.
H.R. 2906: Mr. WELDON of Florida.
H.R. 2907: Mr. ENGEL and Mr. SABO.
H.R. 2915: Mrs. CLAYTON.
H.R. 2945: Mr. ABERCROMBIE, Mr. HOLT, Mr. HINCHEY, and Ms. ROS-LEHTINEN.
H.R. 2953: Mr. CONDIT, and Mr. JOHN.
H.R. 2991: Mrs. MINK of Hawaii and Mr. TIAHRT.
H.R. 3004: Mrs. MALONEY of New York, Ms. DEGETTE, Mr. FORBES, Mr. MARKEY and Mr. MORAN of Kansas.
H.R. 3032: Mr. EVANS, Mr. RANGEL, and Mr. BLUMENAUER.
H.R. 3113: Mr. GEJDENSON and Mr. KILDEE.,
H.R. 3161: Ms. LEE and Ms. DEGETTE.
H.R. 3193: Ms. WOOLSEY, Mr. SUNUNU, and Mr. OSE.
H.R. 3208: Mr. MARKEY, Mr. SANDLIN, and Ms. CARSON.
H.R. 3219: Mr. HILLEARY, Mr. MCHUGH, Mr. HUNTER, Mr. ISTOOK, Mr. SKELTON, Mr. ISAKSON, Mr. PETERSON of Pennsylvania, Mrs. EMERSON, Mr. COX, Mrs. MYRICK, and Mr. NETEHRCUTT.
H.R. 3224: Ms. BERKLEY.
H.R. 3240: Mrs. CHENOWETH-HAGE, Mr. WICKER, Mr. SMITH of Michigan, Mr. HILL of Montana, Mr. DUNCAN, Mr. BACA, Mr. HEFLEY, and Mr. BASS.
H.R. 3244: Mr. PRICE of North Carolina.
H.R. 3249: Mr. SANDERS and Ms. ROS-LEHTINEN.
H.R. 3308: Mr. LUTHER.
H.R. 3408: Mrs. KELLY and Mr. PAUL.
H.R. 3413: Mr. CROWLEY, Mrs. JONES of Ohio, Ms. MILLENDER-MCDONALD, and Mr. ISAKSON.
H.R. 3466: Mr. EHLERS.
H.R. 3489: Mr. WYNN, Mr. DEAL of Georgia, and Mr. MCHUGH.
H.R. 3518: Mr. CUNNINGHAM.
H.R. 3544: Mr. UPTON, Mr. SNYDER, Mr. BURTON of Indiana, Mr. BECERRA, Ms. KAPTUR, Ms. VELAZQUEZ, Mr. KILDEE, Mr. TERRY, Mr. CALVERT, Mr. MEEKS of New York, Mrs. NORTHUP, Mr. REYES, Mr. WAXMAN, and Mr. GOODLATTE.
H.R. 3573: Mr. GILLMOR.
H.R. 3575: Mr. HINCHEY and Mr. LEWIS of Kentucky.
H.R. 3576: Mr. WATTS of Oklahoma and Mr. LAZIO.
H.R. 3583: Mr. DEAL of Georgia.
H.R. 3584: Mr. STUPAK.
H.R. 3594: Mr. BALDACCI and Mr. BILIRAKIS.
H.R. 3625: Mr. NETHERCUTT, Mr. SWEENEY, Mr. HOUGHTON, Mr. ARCHER, Mr. ROGERS, Mr. DUNCAN, Mr. HILLEARY, Mr. SENSENBRENNER, Mr. TAYLOR of North Carolina, Mr. HAYWORTH, and Mr. BRYANT.
H.R. 3633: Mr. UPTON, Mr. SNYDER, Mr. BURTON of Indiana, Ms. JACKSON-LEE of Texas, Mr. MORAN of Virginia, Mr. ACKERMAN, Mr. BECERRA, Ms. KAPTUR, Ms. VELAZQUEZ, Mr. BORSKI, Mr. KILDEE, Mr. FALEOMAVAEGA, Mr. GREEN of Wisconsin, and Mr. CALVERT.
H.R. 3634: Mr. BRADY of Pennsylvania.
H.R. 3670: Mr. KUCINICH, Mr. DINGELL, and Mr. LAFALCE.
H.R. 3680: Mr. HOLT, Mr. SANDLIN, Mr. KLECZKA, Mr. BARTLETT of Maryland, Mr. UDALL of Colorado, Mrs. MORELLA, Ms. ESHOO, Mr. REYNOLDS, Mr. BALLENGER, Ms. LEE, Mr. MARTINEZ, Mr. ETHERIDGE, Mr. FARR of California, Mr. SMITH of Texas, and Mr. EWING.
H.R. 3694: Mr. CALVERT.
H.R. 3700: Ms. SCHAKOWSKY, Mr. SANDERS, Ms. LEE, Mr. MCINTOSH, Mr. BONIOR, Mr. EVANS, Ms. HOOLEY of Oregon, and Mr. PASTOR.
H.R. 3710: Mr. WEXLER, Ms. WATERS, Ms. HOOLEY of Oregon, Mr. HALL of Texas, Mr. BRADY of Pennsylvania, Mr. ROGAN, Mr. COYNE, Mr. TURNER, Ms. CARSON, Ms. ROYBAL-ALLARD, Mr. MEEKS of New York, Mr. MEEHAN, Mr. TIERNEY, Mr. MARTINEZ, and Mr. GUTIERREZ.
H.R. 3766: Mrs. THURMAN, Mr. ROTHMAN, Mr. CLYBURN, Mr. SCOTT, Mr. LIPINSKI, Mr. BOSWELL, Mr. DELAHUNT, Mr. PETRI, Mr. MCHUGH, Mr. STARK, Mr. WISE, Mr. MOLLOHAN, Mr. MARKEY, Mr. MURTHA, and Mr. BERRY.
H.R. 3809: Mr. RANGEL and Mr. MATSUI.
H.R. 3836: Mr. KANJORSKI and Mr. CAMP.
H.R. 3840: Mr. FOLEY and Mr. KENNEDY of Rhode Island.
H.R. 3841: Ms. NORTON.
H.R. 3842: Mr. MCNULTY, Mr. OXLEY, Mr. TURNER, Mr. WU, Mr. LOBIONDO, Mr. RYUN of Kansas, Mr. BARTLETT of Maryland, Mr. SCHAFFER, Mr. GUTKNECHT, and Mr. LATHAM.
H.R. 3871: Mr. SCHAFFER.
H.R. 3872: Mr. FOLEY, Mr. TRAFICANT, Mr. NORWOOD, Mr. GOODLATTE, and Mr. COOK.
H.R. 3873: Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 3889: Mr. ACKERMAN and Mr. ENGEL.
H.R. 3891: Mr. FATTAH and Mrs. LOWEY.
H.R. 3905: Mr. LEVIN and Mr. LEWIS of Georgia.
H.R. 3916: Mr. MENENDEZ, Mr. LARGENT, Mr. MCHUGH, Mr. TANCREDO, Mr. SWEENEY, Mrs. TAUSCHER, Mrs. THURMAN, and Mr. GONZALEZ.
H.R. 3993: Mr. KING and Mr. FORBES.
H.R. 4033: Mr. PASTOR, Mr. JACKSON of Illinois, Mr. BARRETT of Wisconsin, and Mr. LARSON.
H.R. 4040: Mr. CALVERT.
H.R. 4066: Mr. ALLEN, Mr. COYNE, Mr. JACKSON of Illinois, Mr. PORTER, Mr. GEORGE MILLER of California, Ms. LOFGREN, and Mr. ROTHMAN.
H.R. 4076: Mr. SCHAFFER.
H.R. 4090: Ms. MILLENDER-MCDONALD.
H.R. 4094: Mr. RUSH, Mr. DEFAZIO, Mr. OLVER, Mr. GORDON, Mr. KLINK, and Mr. FORD.
H.R. 4106: Mr. EHLERS and Mr. CALVERT.
H.R. 4131: Mr. RODRIQUEZ, Mr. REYES, and Mr. BACA.
H.R. 4141: Mr. BURR of North Carolina, Mr. EHRLICH, Mr. EHLERS, Mr. GRAHAM, Mr. ADERHOLT, and Mr. THUNE.
H.R. 4143: Ms. DELAURO, Mr. STUPAK, and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 4152: Mr. SHAYS.
H.R. 4154: Mr. CALVERT.
H.R. 4167: Mrs. MYRICK, Mr. EVANS, Mr. PETRI, Ms. MCKINNEY, Mrs. MORELLA, Mr. BALDACCI, Mr. SHAYS, Mr. WAXMAN, Mr. SMITH of Washington, Mr. SANDERS, Mr. GUTIERREZ, Ms. RIVERS, Mr. ENGEL, Mr. ABERCROMBIE, and Ms. BALDWIN.
H.R. 4168: Mr. GORDON, Mr. VENTO, Mr. SHERMAN, Mr. CUMMINGS, Mr. KENNEDY of Rhode Island, Mr. SANFORD, Mr. BORSKI, Mr. HOLDEN, and Mr. SKELTON.
H.R. 4184: Mr. CALVERT and Mr. ROHRABACHER.
H.R. 4191: Mr. ENGLISH and Mr. MCHUGH.
H.R. 4192: Mrs. THURMAN Mr. DEFAZIO, and Mr. STARK.
H.R. 4198: Mr. NORWOOD and Mr. MANZULLO.
H.R. 4201: Mr. DELAY, Mr. FOSSELLA, Mr. DEAL of Georgia, Mr. COX, Mr. BAKER, Mr. JONES of North Carolina, Mr. CALLAHAN, Mr. RAMSTAD, Mr. WHITFIELD, Mr. BURR of North Carolina, Mr. DICKEY, Mr. TANCREDO, Mr. GOODLATTE, Mr. ROGAN, and Mr. BILIRAKIS.
H.R. 4213: Ms. BERKLEY, Mr. ENGLISH, Mr. NETHERCUTT, and Mr. DAVIS of Illinois.
H.R. 4214: Ms. CARSON, Mr. TOWNS, Mr. MCCRERY, Mr. EHRLICH Mr. PASTOR, Mr. CALVERT, Mr. BILIRAKIS, Ms. SANCHEZ, Mr. PICKETT, and Mr. CLYBURN.
H.R. 4215: Mr. CUNNINGHAM, Mr. THORNBERRY, Mr. KINGSTON, and Mr. WELDON of Florida.
H.R. 4218: Mr. OSE.
H.R. 4219: Mr. NORWOOD, Mr. KANJORSKI, Mr. GONZALEZ, Mr. KENNEDY of Rhode Island, Mr. POMEROY, Mr. NEY, Mr. COYNE, Mr. MOLLOHAN, Mr. SAWYER, Mr. OBERSTAR, Mr. SUNUNU, Mr. SANDERS, Mr. WISE, Mr. GEKAS, Ms. HOOLEY of Oregan, Mr. TOOMEY, and Ms. BERKLEY.
H.R. 4245: Mr. TOWNS, Mr. RAHALL, Mr. MCCRERY, Mr. ENGLISH, Mr. EHRLICH, Mr. CALVERT, Mr. BILIRAKIS, Mr. PICKETT, and Mr. MCGOVERN.
H.R. 4246: Mr. CALVERT.
H.R. 4260: Mr. MANZULLO and Mrs. THURMAN.
H.R. 4268: Mr. NEY and Mr. CAMP.
H.R. 4274: Mr. MCCOLLUM and Mr. CUNNINGHAM.
H.R. 4277: Mr. PETRI.
H.R. 4289: Mr. WATTS of Oklahoma, Mr. PORTER, Mr. SHIMKUS, Mr. LANTOS, Mr. KILDEE, Mr. MORAN of Virginia, Mr. UNDERWOOD, Mr. LIPINSKI, Mr. COSTELLO, and Ms. DELAURO.
H.R. 4299: Mr. BARR of Georgia, Mr. CHAMBLISS, Mr. COLLINS, Mr. LINDER, Mr. ISAKSON, and Mr. NORWOOD.
H.R. 4308: Mr. POMBO.
H.R. 4313: Mr. BACA and Mr. PASTOR.
H.R. 4334: Mr. RAHALL, Ms. CARSON, and Mr. ALLEN.
H.R. 4356: Mrs. KELLY.
H.J. Res. 1: Mr. VITTER.
H. Con. Res. 62: Mr. BALDACCI.
H. Con. Res. 177: Ms. ROYBAL-ALLARD and Mr. BAIRD.
H. Con. Res. 220: Mr. PASTOR.
H. Con. Res. 252: Mr. LEWIS of Kentucky, Mr. DUNCAN, Mr. THORNBERRY, Ms. JACKSON-LEE of Texas, Mr. GREENWOOD, Mr. MCCOLLUM, Mr. PETRI, Mr. FLETCHER, Mr. TANNER, and Mrs. MORELLA.
H. Con. Res. 271: Mr. DEFAZIO, Mr. MEEHAN, Mr. WEXLER, Mr. WYNN, Ms CARSON, Mr. GONZALEZ, Mr. BALDACCI, and Mr. PAYNE.
H. Con. Res. 297: Mr. SAWYER and Mr. WAXMAN.
H. Res. 107: Mr. LUTHER, Mr. CAMPBELL, and Mr. HASTINGS of Florida.
H. Res. 458: Mr. RAHALL and Ms. HOOLEY of Oregon.
H. Res. 459: Ms. PRYCE of Ohio and Mr. RYUN of Kansas.
H. Res. 463: Mr. SCHAFFER.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 701

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Conservation and Reinvestment Act of 2000''.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term ''coastal population'' means the population of all political subdivisions, as determined by the most recent official data of the Census Bureau, contained in whole or in part within the designated coastal boundary of a State as defined in a State's coastal zone management program under the Coastal Zone Management Act (16 U.S.C. 1451 and following).

(2) The term ''coastal political subdivision'' means a political subdivision of a coastal State all or part of which political subdivision is within the coastal zone (as defined in section 304 of the Coastal Zone Management Act (16 U.S.C. 1453)).

(3) The term ''coastal State'' has the same meaning as provided by section 304 of the Coastal Zone Management Act (16 U.S.C. 1453)).

(4) The term ''coastline'' has the same meaning that it has in the Submerged Lands Act (43 U.S.C. 1301 and following).

(5) The term ''distance'' means minimum great circle distance, measured in statute miles.

(6) The term ''fiscal year'' means the Federal Government's accounting period which begins on October 1st and ends on September 30th, and is designated by the calendar year in which it ends.

(7) The term ''Governor'' means the highest elected official of a State or of any other political entity that is defined as, or treated as, a State under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 and following), the Act of September 2, 1937 (16 U.S.C. 669 and following), commonly referred to as the Federal Aid in Wildlife Restoration Act or the Pittman-Robertson Act, the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 and following), the National Historic Preservation Act (16 U.S.C. 470h and following), or the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 16 U.S.C. 3830 note).

(8) The term ''leased tract'' means a tract, leased under section 6 or 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1335, 1337) for the purpose of drilling for, developing, and producing oil and natural gas resources, which is a unit consisting of either a block, a portion of a block, a combination of blocks or portions of blocks, or a combination of portions of blocks, as specified in the lease, and as depicted on an Outer Continental Shelf Official Protraction Diagram.

(9) The term ''Outer Continental Shelf'' means all submerged lands lying seaward and outside of the area of ''lands beneath navigable waters'' as defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and seabed appertain to the United States and are subject to its jurisdiction and control.

(10) The term ''political subdivision'' means the local political jurisdiction immediately below the level of State government, including counties, parishes, and boroughs. If State law recognizes an entity of general government that functions in lieu of, and is not within, a county, parish, or borough, the Secretary may recognize an area under the jurisdiction of such other entities of general government as a political subdivision for purposes of this title.

(11) The term ''producing State'' means a State with a coastal seaward boundary within 200 miles from the geographic center of a leased tract other than a leased tract or portion of a leased tract that is located in a geographic area subject to a leasing moratorium on January 1, 1999 (unless the lease was issued prior to the establishment of the moratorium and was in production on January 1, 1999).

(12) The term ''qualified Outer Continental Shelf revenues'' means (except as otherwise provided in this paragraph) all moneys received by the United States from each leased tract or portion of a leased tract lying seaward of the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)), or lying within such zone but to which section 8(g) does not apply, the geographic center of which lies within a distance of 200 miles from any part of the coastline of any coastal State, including bonus bids, rents, royalties (including payments for royalty taken in kind and sold), net profit share payments, and related late-payment interest from natural gas and oil leases issued pursuant to the Outer Continental Shelf Lands Act. Such term does not include any revenues from a leased tract or portion of a leased tract that is located in a geographic area subject to a leasing moratorium on January 1, 1999, unless the lease was issued prior to the establishment of the moratorium and was in production on January 1, 1999.

(13) The term ''Secretary'' means the Secretary of the Interior or the Secretary's designee, except as otherwise specifically provided.

(14) The term ''Fund'' means the Conservation and Reinvestment Act Fund established under section 5.

SEC. 4. ANNUAL REPORTS.

(a) STATE REPORTS.—On June 15 of each year, each Governor receiving moneys from the Fund shall account for all moneys so received for the previous fiscal year in a written report to the Secretary of the Interior or the Secretary of Agriculture, as appropriate. The report shall include, in accordance with regulations prescribed by the Secretaries, a description of all projects and activities receiving funds under this Act. In order to avoid duplication, such report may incorporate by reference any other reports required to be submitted under other provisions of law to the Secretary concerned by the Governor regarding any portion of such moneys.

(b) REPORT TO CONGRESS.—On January 1 of each year the Secretary of the Interior, in consultation with the Secretary of Agriculture, shall submit an annual report to the Congress documenting all moneys expended by the Secretary of the Interior and the Secretary of Agriculture from the Fund during the previous fiscal year and summarizing the contents of the Governors' reports submitted to the Secretaries under subsection (a).

SEC. 5. CONSERVATION AND REINVESTMENT ACT FUND.

(a) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a fund which shall be known as the ''Conservation and Reinvestment Act Fund''. In each fiscal year after the fiscal year 2000, the Secretary of the Treasury shall deposit into the Fund the following amounts:

(1) OCS REVENUES.—An amount in each such fiscal year from qualified Outer Continental Shelf revenues equal to the difference between $2,825,000,000 and the amounts deposited in the Fund under paragraph (2), notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338).

(2) AMOUNTS NOT DISBURSED.—All allocated but undisbursed amounts returned to the Fund under section 101(a)(2).

(3) INTEREST.—All interest earned under subsection (d) that is not made available under paragraph (2) or (4) of that subsection.

(b) TRANSFER FOR EXPENDITURE.—In each fiscal year after the fiscal year 2001, the Secretary of the Treasury shall transfer amounts deposited into the Fund as follows:

(1) $1,000,000,000 to the Secretary of the Interior for purposes of making payments to coastal States under title I of this Act.

(2) To the Land and Water Conservation Fund for expenditure as provided in section 3(a) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6(a)) such amounts as are necessary to make the income of the fund $900,000,000 in each such fiscal year.

(3) $350,000,000 to the Federal aid to wildlife restoration fund established under section 3 of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b).

(4) $125,000,000 to the Secretary of the Interior to carry out the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 and following).

(5) $100,000,000 to the Secretary of the Interior to carry out the National Historic Preservation Act (16 U.S.C. 470 and following).

(6) $200,000,000 to the Secretary of the Interior and the Secretary of Agriculture to carry out title VI of this Act.

(7) $100,000,000 to the Secretary of Agriculture to carry out the farmland protection program under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 16 U.S.C. 3830 note) and the Forest Legacy Program under section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103c).

(8) $50,000,000 to the Secretary of the Interior to develop and implement Endangered and Threatened Species Recovery Agreements under subtitle B of title VII of this Act.

(c) SHORTFALL.—If amounts deposited into the Fund in any fiscal year after the fiscal year 2000 are less than $2,825,000,000, the amounts transferred under paragraphs (1) through (8) of subsection (b) for that fiscal year shall each be reduced proportionately.

(d) INTEREST.—

(1) IN GENERAL.—The Secretary of the Treasury shall invest moneys in the Fund (including interest), and in any fund or account to which moneys are transferred pursuant to subsection (b) of this section, in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary of the Treasury, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity. Such invested moneys shall remain invested until needed to meet requirements for disbursement for the programs financed under this Act.

(2) USE OF INTEREST.—Except as provided in paragraphs (3) and (4), interest earned on such moneys shall be available, without further appropriation, for obligation or expenditure under—

(A) chapter 69 of title 31, United States Code (relating to payments in lieu of taxes); and

(B) section 401 of the Act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s) (relating to refuge revenue sharing).

In each fiscal year such interest shall be allocated between the programs referred to in subparagraphs (A) and (B) in proportion to the amounts appropriated for that fiscal year under other provisions of law for purposes of such programs. To the extent that the total amount available for a fiscal year under this paragraph and such other provisions of law for one of such programs exceeds the authorized limit of that program, the amount available under this paragraph that contributes to such excess shall be allocated to the other such program, but not in excess of its authorized limit. To the extent that for both such programs such total amount for each program exceeds the authorized limit of that program, the amount available under this paragraph that contributes to such excess shall be deposited into the Fund and shall be considered interest for purposes of subsection (a)(3). Interest shall cease to be available for obligation or expenditure for a fiscal year for purposes of subparagraph (A) if the annual appropriation for that fiscal year under other provisions of law for the program referred to in subparagraph (A) is less than $100,000,000, and in any such case, the allocation provisions of this paragraph shall not apply and all such interest shall be available for purposes of the program referred to in subparagraph (B), up to the authorized limit of such program. Interest shall cease to be available for obligation or expenditure for a fiscal year for purposes of subparagraph (B) if the annual appropriation for that fiscal year under other provisions of law for the program referred to in subparagraph (A) is less than $15,000,000, and in any such case, the allocation provisions of this paragraph shall not apply and all such interest shall be available for purposes of the program referred to in subparagraph (A), up to the authorized limit of such program. Interest shall cease to be available for obligation or expenditure for a fiscal year for purposes of this paragraph if the annual appropriation for that fiscal year under other provisions of law for each of the program referred to in subparagraph (A) and the program referred to in subparagraph (B) is less than $100,000,000 and $15,000,000, respectively, and in any such case, the allocation provisions of this paragraph shall not apply and all such interest shall be deposited into the Fund and be considered interest for purposes of subsection (a)(3).

(3) CEILING ON EXPENDITURES OF INTEREST.—Amounts made available under paragraph (2) in each fiscal year shall not exceed the lesser of the following:

(A) $200,000,000.

(B) The total amount authorized and appropriated for that fiscal year under other provisions of law for purposes of the programs referred to in subparagraphs (A) and (B) of paragraph (2).

(4) TITLE III INTEREST.—All interest attributable to amounts transferred by the Secretary of the Treasury to the Secretary of the Interior for purposes of title III of this Act (and the amendments made by such title III) shall be available, without further appropriation, for obligation or expenditure for purposes of the North American Wetlands Conservation Act of 1989 (16 U.S.C. 4401 and following)

(e) REFUNDS.—In those instances where through judicial decision, administrative review, arbitration, or other means there are royalty refunds owed to entities generating revenues under this title, refunds shall be paid by the Secretary of the Treasury from amounts available in the Fund to the extent that such refunds are attributable to Qualified Outer Continental Shelf Revenues deposited in the fund under this Act.

SEC. 6. LIMITATION ON USE OF AVAILABLE AMOUNTS FOR ADMINISTRATION.

Notwithstanding any other provision of law, of amounts made available by this Act (including the amendments made by this Act) for a particular activity, not more than 2 percent may be used for administrative expenses of that activity. Nothing in this section shall affect the prohibition contained in section 4(c)(3) of the Federal Aid in Wildlife Restoration Act (as amended by this Act).

SEC. 7. RECORDKEEPING REQUIREMENTS.

The Secretary of the Interior in consultation with the Secretary of Agriculture shall establish such rules regarding recordkeeping by State and local governments and the auditing of expenditures made by State and local governments from funds made available under this Act as may be necessary. Such rules shall be in addition to other requirements established regarding recordkeeping and the auditing of such expenditures under other authority of law.

SEC. 8. MAINTENANCE OF EFFORT AND MATCHING FUNDING.

(a) IN GENERAL.—it is the intent of thE Congress in this Act that States not use this Act as an opportunity to reduce State or local resources for the programs funded by this Act. Except as provided in subsection (b), no State or local government shall receive any funds under this Act during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for programs for which funding is provided under this Act will be less than its average annual expenditure was for such programs during the preceding 3 fiscal years. No State or local government shall receive funding under this Act with respect to a program unless the Secretary is satisfied that such a grant will be so used to supplement and, to the extent practicable, increase the level of State, local, or other non-Federal funds available for such program.

(b) EXCEPTION.—The Secretary may provide funding under this Act to a State or local government not meeting the requirements of subsection (a) if the Secretary determines that a reduction in expenditures —

(1) is attributable to a nonselective reduction in expenditures for the programs of all executive branch agencies of the State or local government;

(2) is a result of reductions in State or local revenue as a result in a downturn in the economy or because of reduced sales or user fees; or

(3) is within the range of historical fluctuations of State appropriations.

(c) USE OF FUND TO MEET MATCHING REQUIREMENTS.—All funds received by a State or local government under this Act shall be treated as Federal funds for purposes of compliance with any provision in effect under any other law requiring that non-Federal funds be used to provide a portion of the funding for any program or project.

SEC. 9. SUNSET.

This Act, including the amendments made by this Act, shall have no force or effect after September 30, 2015.

SEC. 10. PROTECTION OF PRIVATE PROPERTY RIGHTS.

(a) SAVINGS CLAUSE.—Nothing in the Act shall authorize that private property be taken for public use, without just compensation as provided by the Fifth and Fourteenth amendments to the United States Constitution.

(b) REGULATION.—Federal agencies, using funds appropriated by this Act, may not apply any regulation on any lands until the lands or water, or an interest therein, is acquired, unless authorized to do so by another Act of Congress.

SEC. 11. SIGNS.

(a) IN GENERAL.—The Secretary shall require, as a condition of any financial assistance provided with amounts made available by this Act, that the person that owns or administers any site that benefits from such assistance shall include on any sign otherwise installed at that site at or near an entrance or public use focal point, a statement that the existence or development of the site (or both), as appropriate, is a product of such assistance.

(b) STANDARDS.—The Secretary shall provide for the design of standardized signs for purposes of subsection (a), and shall prescribe standards and guidelines for such signs.

TITLE I—IMPACT ASSISTANCE AND COASTAL CONSERVATION

SEC. 101. IMPACT ASSISTANCE FORMULA AND PAYMENTS.

(a) IMPACT ASSISTANCE PAYMENTS TO STATES.—

(1) GRANT PROGRAM.—Amounts transferred to the Secretary of the Interior from the Conservation and Reinvestment Act Fund under section 5(b)(1) of this Act for purposes of making payments to coastal States under this title in any fiscal year shall be allocated by the Secretary of the Interior among coastal States as provided in this section in each such fiscal year. In each such fiscal year, the Secretary of the Interior shall, without further appropriation, disburse such allocated funds to those coastal States for which the Secretary has approved a Coastal State Conservation and Impact Assistance Plan as required by this title. Payments for all projects shall be made by the Secretary to the Governor of the State or to the State official or agency designated by the Governor or by State law as having authority and responsibility to accept and to administer funds paid hereunder. No payment shall be made to any State until the State has agreed to provide such reports to the Secretary, in such form and containing such information, as may be reasonably necessary to enable the Secretary to perform his duties under this title, and provide such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for Federal revenues paid to the State under this title.

(2) FAILURE TO HAVE PLAN APPROVED.—At the end of each fiscal year, the Secretary shall return to the Conservation and Reinvestment Act Fund any amount that the Secretary allocated, but did not disburse, in that fiscal year to a coastal State that does not have an approved plan under this title before the end of the fiscal year in which such grant is allocated, except that the Secretary shall hold in escrow until the final resolution of the appeal any amount allocated, but not disbursed, to a coastal State that has appealed the disapproval of a plan submitted under this title.

(b) ALLOCATION AMONG COASTAL STATES.—

(1) ALLOCABLE SHARE FOR EACH STATE.—For each coastal State, the Secretary shall determine the State's allocable share of the total amount of the revenues transferred from the Fund under section 5(b)(1) for each fiscal year using the following weighted formula:

(A) 50 percent of such revenues shall be allocated among the coastal States as provided in paragraph (2).

(B) 25 percent of such revenues shall be allocated to each coastal State based on the ratio of each State's shoreline miles to the shoreline miles of all coastal States.

(C) 25 percent of such revenues shall be allocated to each coastal State based on the ratio of each State's coastal population to the coastal population of all coastal States.

(2) OFFSHORE OUTER CONTINENTAL SHELF SHARE.—If any portion of a producing State lies within a distance of 200 miles from the geographic center of any leased tract with qualified Outer Continental Shelf revenues, the Secretary of the Interior shall determine such State's allocable share under paragraph (1)(A) based on the formula set forth in this paragraph. Such State share shall be calculated as of the date of the enactment of this Act for the first 5-fiscal year period during which funds are disbursed under this title and recalculated on the anniversary of such date each fifth year thereafter for each succeeding 5-fiscal year period. Each such State's allocable share of the revenues disbursed under paragraph (1)(A) shall be based on qualified Outer Continental Shelf revenues from each leased tract or portion of a leased tract the geographic center of which is within a distance (to the nearest whole mile) of 200 miles from the coastline of the State and shall be inversely proportional to the distance between the nearest point on the coastline of such State and the geographic center of each such leased tract or portion, as determined by the Secretary for the 5-year period concerned. In applying this paragraph a leased tract or portion of a leased tract shall be excluded if the tract or portion is located in a geographic area subject to a leasing moratorium on January 1, 1999, unless the lease was issued prior to the establishment of the moratorium and was in production on January 1, 1999.

(3) MINIMUM STATE SHARE.—

(A) IN GENERAL.—The allocable share of revenues determined by the Secretary under this subsection for each coastal State with an approved coastal management program (as defined by the Coastal Zone Management Act (16 U.S.C. 1451)), or which is making satisfactory progress toward one, shall not be less in any fiscal year than 0.50 percent of the total amount of the revenues transferred by the Secretary of the Treasury to the Secretary of the Interior for purposes of this title for that fiscal year under subsection (a). For any other coastal State the allocable share of such revenues shall not be less than 0.25 percent of such revenues.

(B) RECOMPUTATION.—Where one or more coastal States' allocable shares, as computed under paragraphs (1) and (2), are increased by any amount under this paragraph, the allocable share for all other coastal States shall be recomputed and reduced by the same amount so that not more than 100 percent of the amount transferred by the Secretary of the Treasury to the Secretary of the Interior for purposes of this title for that fiscal year under section 5(b)(1) is allocated to all coastal States. The reduction shall be divided pro rata among such other coastal States.

(c) PAYMENTS TO POLITICAL SUBDIVISIONS.—In the case of a producing State, the Governor of the State shall pay 50 percent of the State's allocable share, as determined under subsection (b), to the coastal political subdivisions in such State. Such payments shall be allocated among such coastal political subdivisions of the State according to an allocation formula analogous to the allocation formula used in subsection (b) to allocate revenues among the coastal States, except that a coastal political subdivision in the State of California that has a coastal shoreline, that is not within 200 miles of the geographic center of a leased tract or portion of a leased tract, and in which there is located one or more oil refineries shall be eligible for that portion of the allocation described in subsection (b)(1)(A) and (b)(2) in the same manner as if that political subdivision were located within a distance of 50 miles from the geographic center of the closest leased tract with qualified Outer Continental Shelf revenues.

(d) TIME OF PAYMENT.—Payments to coastal States and coastal political subdivisions under this section shall be made not later than December 31 of each year from revenues received during the immediately preceding fiscal year.

SEC. 102. COASTAL STATE CONSERVATION AND IMPACT ASSISTANCE PLANS.

(a) DEVELOPMENT AND SUBMISSION OF STATE PLANS.—Each coastal State seeking to receive grants under this title shall prepare, and submit to the Secretary, a Statewide Coastal State Conservation and Impact Assistance Plan. In the case of a producing State, the Governor shall incorporate the plans of the coastal political subdivisions into the Statewide plan for transmittal to the Secretary. The Governor shall solicit local input and shall provide for public participation in the development of the Statewide plan. The plan shall be submitted to the Secretary by April 1 of the calendar year after the calendar year in which this Act is enacted.

(b) APPROVAL OR DISAPPROVAL.—

(1) IN GENERAL.—Approval of a Statewide plan under subsection (a) is required prior to disbursement of funds under this title by the Secretary. The Secretary shall approve the Statewide plan if the Secretary determines, in consultation with the Secretary of Commerce, that the plan is consistent with the uses set forth in subsection (c) and if the plan contains each of the following:

(A) The name of the State agency that will have the authority to represent and act for the State in dealing with the Secretary for purposes of this title.

(B) A program for the implementation of the plan which, for producing States, includes a description of how funds will be used to address the impacts of oil and gas production from the Outer Continental Shelf.

(C) Certification by the Governor that ample opportunity has been accorded for public participation in the development and revision of the plan.

(D) Measures for taking into account other relevant Federal resources and programs. The plan shall be correlated so far as practicable with other State, regional, and local plans.

(2) PROCEDURE AND TIMING; REVISIONS.—The Secretary shall approve or disapprove each plan submitted in accordance with this section. If a State first submits a plan by not later than 90 days before the beginning of the first fiscal year to which the plan applies, the Secretary shall approve or disapprove the plan by not later than 30 days before the beginning of that fiscal year.

(3) AMENDMENT OR REVISION.—Any amendment to or revision of the plan shall be prepared in accordance with the requirements of this subsection and shall be submitted to the Secretary for approval or disapproval. Any such amendment or revision shall take effect only for fiscal years after the fiscal year in which the amendment or revision is approved by the Secretary.

(c) AUTHORIZED USES OF STATE GRANT FUNDING.—The funds provided under this title to a coastal State and for coastal political subdivisions are authorized to be used only for one or more of the following purposes:

(1) Data collection, including but not limited to fishery or marine mammal stock surveys in State waters or both, cooperative State, interstate, and Federal fishery or marine mammal stock surveys or both, cooperative initiatives with university and private entities for fishery and marine mammal surveys, activities related to marine mammal and fishery interactions, and other coastal living marine resources surveys.

(2) The conservation, restoration, enhancement, or creation of coastal habitats.

(3) Cooperative Federal or State enforcement of marine resources management statutes.

(4) Fishery observer coverage programs in State or Federal waters.

(5) Invasive, exotic, and nonindigenous species identification and control.

(6) Coordination and preparation of cooperative fishery conservation and management plans between States including the development and implementation of population surveys, assessments and monitoring plans, and the preparation and implementation of State fishery management plans developed by interstate marine fishery commissions.

(7) Preparation and implementation of State fishery or marine mammal management plans that comply with bilateral or multilateral international fishery or marine mammal conservation and management agreements or both.

(8) Coastal and ocean observations necessary to develop and implement real time tide and current measurement systems.

(9) Implementation of federally approved marine, coastal, or comprehensive conservation and management plans.

(10) Mitigating marine and coastal impacts of Outer Continental Shelf activities including impacts on onshore infrastructure.

(11) Projects that promote research, education, training, and advisory services in fields related to ocean, coastal, and Great Lakes resources.

(d) COMPLIANCE WITH AUTHORIZED USES.—Based on the annual reports submitted under section 4 of this Act and on audits conducted by the Secretary under section 8, the Secretary shall review the expenditures made by each State and coastal political subdivision from funds made available under this title. If the Secretary determines that any expenditure made by a State or coastal political subdivision of a State from such funds is not consistent with the authorized uses set forth in subsection (c), the Secretary shall not make any further grants under this title to that State until the funds used for such expenditure have been repaid to the Conservation and Reinvestment Act Fund.

TITLE II—LAND AND WATER CONSERVATION FUND REVITALIZATION

SEC. 201. AMENDMENT OF LAND AND WATER CONSERVATION FUND ACT OF 1965.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 and following).

SEC. 202. EXTENSION OF FUND; TREATMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.

Section 2(c) is amended to read as follows:

''(c) AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.—In addition to the sum of the revenues and collections estimated by the Secretary of the Interior to be covered into the fund pursuant to subsections (a) and (b) of this section, there shall be covered into the fund all amounts transferred to the fund under section 5(b)(2) of the Conservation and Reinvestment Act of 2000.''.

SEC. 203. AVAILABILITY OF AMOUNTS.

Section 3 (16 U.S.C. 460l–6) is amended to read as follows:

''APPROPRIATIONS

''SEC. 3. (a) IN GENERAL.—There are authorized to be appropriated to the Secretary from the fund to carry out this Act not more than $900,000,000 in any fiscal year after the fiscal year 2001. Amounts transferred to the fund from the Conservation and Reinvestment Act Fund and amounts covered into the fund under subsections (a) and (b) of section 2 shall be available to the Secretary in fiscal years after the fiscal year 2001 without further appropriation to carry out this Act.

''(b) OBLIGATION AND EXPENDITURE OF AVAILABLE AMOUNTS.—Amounts available for obligation or expenditure from the fund or from the special account established under section 4(i)(1) may be obligated or expended only as provided in this Act.''.

SEC. 204. ALLOCATION OF FUND.

Section 5 (16 U.S.C. 460l–7) is amended to read as follows:

''ALLOCATION OF FUNDS

''SEC. 5. Of the amounts made available for each fiscal year to carry out this Act—

''(1) 50 percent shall be available for Federal purposes (in this Act referred to as the 'Federal portion'); and

''(2) 50 percent shall be available for grants to States.''.

SEC. 205. USE OF FEDERAL PORTION.

Section 7 (16 U.S.C. 460l–9) is amended by adding at the end the following:

''(d) USE OF FEDERAL PORTION.—

''(1) APPROVAL BY CONGRESS REQUIRED.—The Federal portion (as that term is defined in section 5(1)) may not be obligated or expended by the Secretary of the Interior or the Secretary of Agriculture for any acquisition except those specifically referred to, and approved by the Congress, in an Act making appropriations for the Department of the Interior or the Department of Agriculture, respectively.

''(2) WILLING SELLER REQUIREMENT.—The Federal portion may not be used to acquire any property unless—

''(A) the owner of the property concurs in the acquisition; or

''(B) acquisition of that property is specifically approved by an Act of Congress.

''(e) LIST OF PROPOSED FEDERAL ACQUISITIONS.—

''(1) RESTRICTION ON USE.—The Federal portion for a fiscal year may not be obligated or expended to acquire any interest in lands or water unless the lands or water were included in a list of acquisitions that is approved by the Congress.

''(2) TRANSMISSION OF LIST.—(A) The Secretary of the Interior and the Secretary of Agriculture shall jointly transmit to the appropriate authorizing and appropriations committees of the House of Representatives and the Senate for each fiscal year, by no later than the submission of the budget for the fiscal year under section 1105 of title 31, United States Code, a list of the acquisitions of interests in lands and water proposed to be made with the Federal portion for the fiscal year.

''(B) In preparing each list under suparagraph (A), the Secretary shall—

''(i) seek to consolidate Federal landholdings in States with checkerboard Federal land ownership patterns;

''(ii) consider the use of equal value land exchanges, where feasible and suitable, as an alternative means of land acquisition;

''(iii) consider the use of permanent conservation easements, where feasible and suitable, as an alternative means of acquisition;

''(iv) identify those properties that are proposed to be acquired from willing sellers and specify any for which adverse condemnation is requested; and

''(v) establish priorities based on such factors as important or special resource attributes, threats to resource integrity, timely availability, owner hardship, cost escalation, public recreation use values, and similar considerations.

''(C) The Secretary of the Interior and the Secretary of Agriculture shall each—

''(i) transmit, with the list transmitted under subparagraph (A), a separate list of those lands under the administrative jurisdiction of the Secretary that have been identified in applicable land management plans as surplus and eligible for disposal as provided for by law; and

''(ii) update and resubmit to the Congress each list transmitted under clause (i), as land management plans are amended or revised.

''(3) INFORMATION REGARDING PROPOSED ACQUISITIONS.—Each list under paragraph (2)(A) shall include, for each proposed acquisition included in the list—

''(A) citation of the statutory authority for the acquisition, if such authority exists; and

''(B) an explanation of why the particular interest proposed to be acquired was selected.

''(f) NOTIFICATION TO AFFECTED AREAS REQUIRED.—The Federal portion for a fiscal year may not be used to acquire any interest in land unless the Secretary administering the acquisition, by not later than 30 days after the date the Secretaries submit the list under subsection (e)(2)(A) for the fiscal year, provides notice of the proposed acquisition—

''(1) in writing to each Member of and each Delegate and Resident Commissioner to the Congress elected to represent any area in which is located—

''(A) the land; or

''(B) any part of any federally designated unit that includes the land;

''(2) in writing to the Governor of the State in which the land is located;

''(3) in writing to each State political subdivision having jurisdiction over the land; and

''(4) by publication of a notice in a newspaper that is widely distributed in the area under the jurisdiction of each such State political subdivision, that includes a clear statement that the Federal Government intends to acquire an interest in land.

''(g) COMPLIANCE WITH REQUIREMENTS UNDER FEDERAL LAWS.—

''(1) IN GENERAL.—The Federal portion for a fiscal year may not be used to acquire any interest in land or water unless the following have occurred:

''(A) All actions required under Federal law with respect to the acquisition have been complied with.

''(B) A copy of each final environmental impact statement or environmental assessment required by law, and a summary of all public comments regarding the acquisition that have been received by the agency making the acquisition, are submitted to the Committee on Resources of the House of Representatives, the Committee on Energy and Natural Resources of the Senate, and the Committees on Appropriations of the House of Representatives and of the Senate.

''(C) A notice of the availability of such statement or assessment and of such summary is provided to—

''(i) each Member of and each Delegate and Resident Commissioner to the Congress elected to represent the area in which the land is located;

''(ii) the Governor of the State in which the land is located; and

''(iii) each State political subdivision having jurisdiction over the land.

''(2) LIMITATION ON APPLICATION.—Paragraph (1) shall not apply to any acquisition that is specifically authorized by a Federal law.''.

SEC. 206. ALLOCATION OF AMOUNTS AVAILABLE FOR STATE PURPOSES.

(a) IN GENERAL.—Section 6(b) (16 U.S.C. 460l–8(b)) is amended to read as follows:

''(b) DISTRIBUTION AMONG THE STATES.—(1) Sums in the fund available each fiscal year for State purposes shall be apportioned among the several States by the Secretary, in accordance with this subsection. The determination of the apportionment by the Secretary shall be final.

''(2) Subject to paragraph (3), of sums in the fund available each fiscal year for State purposes—

''(A) 30 percent shall be apportioned equally among the several States; and

''(B) 70 percent shall be apportioned so that the ratio that the amount apportioned to each State under this subparagraph bears to the total amount apportioned under this subparagraph for the fiscal year is equal to the ratio that the population of the State bears to the total population of all States.

''(3) The total allocation to an individual State for a fiscal year under paragraph (2) shall not exceed 10 percent of the total amount allocated to the several States under paragraph (2) for that fiscal year.

''(4) The Secretary shall notify each State of its apportionment, and the amounts thereof shall be available thereafter to the State for planning, acquisition, or development projects as hereafter described. Any amount of any apportionment under this subsection that has not been paid or obligated by the Secretary during the fiscal year in which such notification is given and the two fiscal years thereafter shall be reapportioned by the Secretary in accordance with paragraph (2), but without regard to the 10 percent limitation to an individual State specified in paragraph (3).

''(5)(A) For the purposes of paragraph (2)(A)—

''(i) the District of Columbia shall be treated as a State; and

''(ii) Puerto Rico, the Virgin Islands, Guam, and American Samoa—

''(I) shall be treated collectively as one State; and

''(II) shall each be allocated an equal share of any amount distributed to them pursuant to clause (i).

''(B) Each of the areas referred to in subparagraph (A) shall be treated as a State for all other purposes of this Act.''.

(b) TRIBES AND ALASKA NATIVE CORPORATIONS.—Section 6(b)(5) (16 U.S.C. 460l–8(b)(5)) is further amended by adding at the end the following new subparagraph:

''(C) For the purposes of paragraph (1), all federally recognized Indian tribes, or in the case of Alaska, Native Corporations (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)), shall be eligible to receive shares of the apportionment under paragraph (1) in accordance with a competitive grant program established by the Secretary by rule. The total apportionment available to such tribes, or in the case of Alaska, Native Corporations shall be equivalent to the amount available to a single State. No single tribe, nor in the case of Alaska, Native Corporation shall receive a grant that constitutes more than 10 percent of the total amount made available to all tribes and Alaska Native Corporations pursuant to the apportionment under paragraph (1). Funds received by a tribe, or in the case of Alaska, Native Corporation under this subparagraph may be expended only for the purposes specified in paragraphs (1) and (3) of subsection (a).''.

(c) LOCAL ALLOCATION.—Section 6(b) (16 U.S.C. 460l–8(b)) is amended by adding at the end the following:

''(6) Absent some compelling and annually documented reason to the contrary acceptable to the Secretary of the Interior, each State (other than an area treated as a State under paragraph (5)) shall make available as grants to local governments, at least 50 percent of the annual State apportionment, or an equivalent amount made available from other sources.''.

SEC. 207. STATE PLANNING.

(a) STATE ACTION AGENDA REQUIRED.—

(1) IN GENERAL.—Section 6(d) (16 U.S.C. 460l–8(d)) is amended to read as follows:

''(d) STATE ACTION AGENDA REQUIRED.—(1) Each State may define its own priorities and criteria for selection of outdoor conservation and recreation acquisition and development projects eligible for grants under this Act, so long as the priorities and criteria defined by the State are consistent with the pruposes of this Act, the State provides for public involvement in this process, and the State publishes an accurate and current State Action Agenda for Community Conservation and Recreation (in this Act referred to as the 'State Action Agenda') indicating the needs it has identified and the priorities and criteria it has established. In order to assess its needs and establish its overall priorities, each State, in partnership with its local governments and Federal agencies, and in consultation with its citizens, shall develop, within 5 years after the enactment of the Conservation and Reinvestment Act of 2000, a State Action Agenda that meets the following requirements:

''(A) The agenda must be strategic, originating in broad-based and long-term needs, but focused on actions that can be funded over the next 5 years.

''(B) The agenda must be updated at least once every 5 years and certified by the Governor that the State Action Agenda conclusions and proposed actions have been considered in an active public involvement process.

''(2) State Action Agendas shall take into account all providers of conservation and recreation lands within each State, including Federal, regional, and local government resources, and shall be correlated whenever possible with other State, regional, and local plans for parks, recreation, open space, and wetlands conservation. Recovery action programs developed by urban localities under section 1007 of the Urban Park and Recreation Recovery Act of 1978 shall be used by a State as a guide to the conclusions, priorities, and action schedules contained in State Action Agenda. Each State shall assure that any requirements for local outdoor conservation and recreation planning, promulgated as conditions for grants, minimize redundancy of local efforts by allowing, wherever possible, use of the findings, priorities, and implementation schedules of recovery action programs to meet such requirements.''.

(2) EXISTING STATE PLANS.—Comprehensive State Plans developed by any State under section 6(d) of the Land and Water Conservation Fund Act of 1965 before the date that is 5 years after the enactment of this Act shall remain in effect in that State until a State Action Agenda has been adopted pursuant to the amendment made by this subsection, but no later than 5 years after the enactment of this Act.

(b) MISCELLANEOUS.—Section 6(e) (16 U.S.C. 460*l*–8(e)) is amended as follows:

(1) In the matter preceding paragraph (1) by striking ''State comprehensive plan'' and inserting ''State Action Agenda''.

(2) In paragraph (1) by striking ''comprehensive plan'' and inserting ''State Action Agenda''.

SEC. 208. ASSISTANCE TO STATES FOR OTHER PROJECTS.

Section 6(e) (16 U.S.C. 460l–8(e)) is amended—

(1) in subsection (e)(1) by striking '', but not including incidental costs relating to acquisition''; and

(2) in subsection (e)(2) by inserting before the period at the end the following: ''or to enhance public safety within a designated park or recreation area''.

SEC. 209. CONVERSION OF PROPERTY TO OTHER USE.

Section 6(f)(3) (16 U.S.C. 460l–8(f)(3)) is amended—

(1) by inserting ''(A)'' before ''No property''; and

(2) by striking the second sentence and inserting the following:

''(B) The Secretary shall approve such conversion only if the State demonstrates no prudent or feasible alternative exists with the exception of those properties that no longer meet the criteria within the State Plan or Agenda as an outdoor conservation and recreation facility due to changes in demographics or that must be abandoned because of environmental contamination which endangers public health and safety. Any conversion must satisfy such conditions as the Secretary deems necessary to assure the substitution of other conservation and recreation properties of at least equal fair market value and reasonably equivalent usefulness and location and which are consistent with the existing State Plan or Agenda; except that wetland areas and interests therein as identified in the wetlands provisions of the action agenda and proposed to be acquired as suitable replacement property within that same State that is otherwise acceptable to the Secretary shall be considered to be of reasonably equivalent usefulness with the property proposed for conversion.''.

SEC. 210. WATER RIGHTS.

Title I is amended by adding at the end the following:

''WATER RIGHTS

''SEC. 14. Nothing in this title—

''(1) invalidates or preempts State or Federal water law or an interstate compact governing water;

''(2) alters the rights of any State to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts or by past or future legislative or final judicial allocations;

''(3) preempts or modifies any Federal or State law, or interstate compact, dealing with water quality or disposal; or

''(4) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.''.

TITLE III—WILDLIFE CONSERVATION AND RESTORATION

SEC. 301. PURPOSES.

The purposes of this title are—

(1) to extend financial and technical assistance to the States under the Federal Aid to Wildlife Restoration Act for the benefit of a diverse array of wildlife and associated habitats, including species that are not hunted or fished, to fulfill unmet needs of wildlife within the States in recognition of the primary role of the States to conserve all wildlife;

(2) to assure sound conservation policies through the development, revision, and implementation of a comprehensive wildlife conservation and restoration plan;

(3) to encourage State fish and wildlife agencies to participate with the Federal Government, other State agencies, wildlife conservation organizations, and outdoor recreation and conservation interests through cooperative planning and implementation of this title; and

(4) to encourage State fish and wildlife agencies to provide for public involvement in the process of development and implementation of a wildlife conservation and restoration program.

SEC. 302. DEFINITIONS.

(a) REFERENCE TO LAW.—In this title, the term ''Federal Aid in Wildlife Restoration Act'' means the Act of September 2, 1937 (16 U.S.C. 669 and following), commonly referred to as the Federal Aid in Wildlife Restoration Act or the Pittman-Robertson Act.

(b) WILDLIFE CONSERVATION AND RESTORATION PROGRAM.—Section 2 of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669a) is amended by inserting after ''shall be construed'' the first place it appears the following: ''to include the wildlife conservation and restoration program and''.

(c) STATE AGENCIES.—Section 2 of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669a) is amended by inserting ''or State fish and wildlife department'' after ''State fish and game department''.

(d) DEFINITIONS.—Section 2 of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669a) is amended by striking the period at the end thereof, substituting a semicolon, and adding the following: ''the term 'conservation' shall be construed to mean the use of methods and procedures necessary or desirable to sustain healthy populations of wildlife including all activities associated with scientific resources management such as research, census, monitoring of populations, acquisition, improvement and management of habitat, live trapping and transplantation, wildlife damage management, and periodic or total protection of a species or population as well as the taking of individuals within wildlife stock or population if permitted by applicable State and Federal law; the term 'wildlife conservation and restoration program' means a program developed by a State fish and wildlife department and approved by the Secretary under section 4(d), the projects that constitute such a program, which may be implemented in whole or part through grants and contracts by a State to other State, Federal, or local agencies (including those that gather, evaluate, and disseminate information on wildlife and their habitats), wildlife conservation organizations, and outdoor recreation and conservation education entities from funds apportioned under this title, and maintenance of such projects; the term 'wildlife' shall be construed to mean any species of wild, free-ranging fauna including fish, and also fauna in captive breeding programs the object of which is to reintroduce individuals of a depleted indigenous species into previously occupied range; the term 'wildlife-associated recreation' shall be construed to mean projects intended to meet the demand for outdoor activities associated with wildlife including, but not limited to, hunting and fishing, wildlife observation and photography, such projects as construction or restoration of wildlife viewing areas, observation towers, blinds, platforms, land and water trails, water access, trail heads, and access for such projects; and the term 'wildlife conservation education' shall be construed to mean projects, including public outreach, intended to foster responsible natural resource stewardship.''.

SEC. 303. TREATMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.

Section 3 of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669b) is amended—

(1) in subsection (a) by inserting ''(1)'' after ''(a)'', and by adding at the end the following:

''(2) There is established in the Federal aid to wildlife restoration fund a subaccount to be known as the 'wildlife conservation and restoration account'. Amounts transferred to the fund for a fiscal year under section 5(b)(3) of the Conservation and Reinvestment Act of 2000 shall be deposited in the subaccount and shall be available without further appropriation, in each fiscal year, for apportionment in accordance with this Act to carry out State wildlife conservation and restoration programs.''; and

(2) by adding at the end the following:

''(c) Amounts transferred to the fund from the Conservation and Reinvestment Act Fund and apportioned under subsection (a)(2) shall supplement, but not replace, existing funds available to the States from the sport fish restoration account and wildlife restoration account and shall be used for the development, revision, and implementation of wildlife conservation and restoration programs and should be used to address the unmet needs for a diverse array of wildlife and associated habitats, including species that are not hunted or fished, for wildlife conservation, wildlife conservation education, and wildlife-associated recreation projects. Such funds may be used for new programs and projects as well as to enhance existing programs and projects.

''(d)(1) Notwithstanding subsections (a) and (b) of this section, with respect to amounts transferred to the fund from the Conservation and Reinvestment Act Fund so much of such amounts as is apportioned to any State for any fiscal year and as remains unexpended at the close thereof shall remain available for expenditure in that State until the close of—

''(A) the fourth succeeding fiscal year, in the case of amounts transferred in any of the first 10 fiscal years beginning after the date of enactment of the Conservation and Reinvestment Act of 2000; or

''(B) the second succeeding fiscal year, in the case of amounts transferred in a fiscal year beginning after the 10-fiscal-year period referred to in subparagraph (A).

''(2) Any amount apportioned to a State under this subsection that is unexpended or unobligated at the end of the period during which it is available under paragraph (1) shall be reapportioned to all States during the succeeding fiscal year.''.

SEC. 304. APPORTIONMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.

(a) IN GENERAL.—Section 4 of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669c) is amended by adding at the end the following new subsection:

''(c) AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.—(1) The Secretary of the Interior shall make the following apportionment from the amount transferred to the fund from the Conservation and Reinvestment Act Fund for each fiscal year:

''(A) To the District of Columbia and to the Commonwealth of Puerto Rico, each a sum equal to not more than ½ of 1 percent thereof.

''(B) To Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, each a sum equal to not more than ⅛ of 1 percent thereof.

''(2)(A) The Secretary of the Interior, after making the apportionment under paragraph (1), shall apportion the remainder of the amount transferred to the fund from the Conservation and Reinvestment Act Fund for each fiscal year among the States in the following manner:

''(i) ⅓ of which is based on the ratio to which the land area of such State bears to the total land area of all such States.

''(ii) ⅔ of which is based on the ratio to which the population of such State bears to the total population of all such States.

''(B) The amounts apportioned under this paragraph shall be adjusted equitably so that no such State shall be apportioned a sum which is less than ½ of 1 percent of the amount available for apportionment under this paragraph for any fiscal year or more than 5 percent of such amount.

''(3) Amounts transferred to the fund from the Conservation and Reinvestment Act Fund shall not be available for any expenses incurred in the administration and execution of programs carried out with such amounts.

''(d) WILDLIFE CONSERVATION AND RESTORATION PROGRAMS.—(1) Any State, through its fish and wildlife department, may apply to the Secretary of the Interior for approval of a wildlife conservation and restoration program, or for funds to develop a program. To apply, a State shall submit a comprehensive plan that includes—

''(A) provisions vesting in the fish and wildlife department of the State overall responsibility and accountability for the program;

''(B) provisions for the development and implementation of—

''(i) wildlife conservation projects that expand and support existing wildlife programs, giving appropriate consideration to all wildlife;

''(ii) wildlife-associated recreation projects; and

''(iii) wildlife conservation education projects pursuant to programs under section 8(a); and

''(C) provisions to ensure public participation in the development, revision, and implementation of projects and programs required under this paragraph.

''(2) A State shall provide an opportunity for public participation in the development of the comprehensive plan required under paragraph (1).

''(3) If the Secretary finds that the comprehensive plan submitted by a State complies with paragraph (1), the Secretary shall approve the wildlife conservation and restoration program of the State and set aside from the apportionment to the State made pursuant to subsection (c) an amount that shall not exceed 75 percent of the estimated cost of developing and implementing the program.

''(4)(A) Except as provided in subparagraph (B), after the Secretary approves a State's wildlife conservation and restoration program, the Secretary may make payments on a project that is a segment of the State's wildlife conservation and restoration program as the project progresses. Such payments, including previous payments on the project, if any, shall not be more than the United States pro rata share of such project. The Secretary, under such regulations as he may prescribe, may advance funds representing the United States pro rata share of a project that is a segment of a wildlife conservation and restoration program, including funds to develop such program.

''(B) Not more than 10 percent of the amounts apportioned to each State under this section for a State's wildlife conservation and restoration program may be used for wildlife-associated recreation.

''(5) For purposes of this subsection, the term 'State' shall include the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.''.

(b) FACA.—Coordination with State fish and wildlife agency personnel or with personnel of other State agencies pursuant to the Federal Aid in Wildlife Restoration Act or the Federal Aid in Sport Fish Restoration Act shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.). Except for the preceding sentence, the provisions of this title relate solely to wildlife conservation and restoration programs and shall not be construed to affect the provisions of the Federal Aid in Wildlife Restoration Act relating to wildlife restoration projects or the provisions of the Federal Aid in Sport Fish

Restoration Act relating to fish restoration and management projects.

SEC. 305. EDUCATION.

Section 8(a) of the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669g(a)) is amended by adding the following at the end thereof: ''Funds available from the amount transferred to the fund from the Conservation and Reinvestment Act Fund may be used for a wildlife conservation education program, except that no such funds may be used for education efforts, projects, or programs that promote or encourage opposition to the regulated taking of wildlife.''.

SEC. 306. PROHIBITION AGAINST DIVERSION.

No designated State agency shall be eligible to receive matching funds under this title if sources of revenue available to it after January 1, 1999, for conservation of wildlife are diverted for any purpose other than the administration of the designated State agency, it being the intention of Congress that funds available to States under this title be added to revenues from existing State sources and not serve as a substitute for revenues from such sources. Such revenues shall include interest, dividends, or other income earned on the forgoing.

TITLE IV—URBAN PARK AND RECREATION RECOVERY PROGRAM AMENDMENTS

SEC. 401. AMENDMENT OF URBAN PARK AND RECREATION RECOVERY ACT OF 1978.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 and following).

SEC. 402. PURPOSE.

The purpose of this title is to provide a dedicated source of funding to assist local governments in improving their park and recreation systems.

SEC. 403. TREATMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.

Section 1013 (16 U.S.C. 2512) is amended to read as follows:

''TREATMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND

''SEC. 1013. (a) IN GENERAL.—Amounts transferred to the Secretary of the Interior under section 5(b)(4) of the Conservation and Reinvestment Act of 2000 in a fiscal year shall be available to the Secretary without further appropriation to carry out this title. Any amount that has not been paid or obligated by the Secretary before the end of the second fiscal year beginning after the first fiscal year in which the amount is available shall be reapportioned by the Secretary among grantees under this title.

''(b) LIMITATIONS ON ANNUAL GRANTS.—Of the amounts available in a fiscal year under subsection (a)—

''(1) not more that 3 percent may be used for grants for the development of local park and recreation recovery action programs pursuant to sections 1007(a) and 1007(c);

''(2) not more than 10 percent may be used for innovation grants pursuant to section 1006; and

''(3) not more than 15 percent may be provided as grants (in the aggregate) for projects in any one State.

''(c) LIMITATION ON USE FOR GRANT ADMINISTRATION.—The Secretary shall establish a limit on the portion of any grant under this title that may be used for grant and program administration.''.

SEC. 404. AUTHORITY TO DEVELOP NEW AREAS AND FACILITIES.

Section 1003 (16 U.S.C. 2502) is amended by inserting ''development of new recreation areas and facilities, including the acquisition of lands for such development,'' after ''rehabilitation of critically needed recreation areas, facilities,''.

SEC. 405. DEFINITIONS.

Section 1004 (16 U.S.C. 2503) is amended as follows:

(1) In paragraph (j) by striking ''and'' after the semicolon.

(2) In paragraph (k) by striking the period at the end and inserting a semicolon.

(3) By adding at the end the following:

''(l) 'development grants'—

''(1) subject to subparagraph (2) means matching capital grants to units of local government to cover costs of development, land acquisition, and construction on existing or new neighborhood recreation sites, including indoor and outdoor recreational areas and facilities, support facilities, and landscaping; and

''(2) does not include routine maintenance, and upkeep activities; and

''(m) 'Secretary' means the Secretary of the Interior.''.

SEC. 406. ELIGIBILITY.

Section 1005(a) (16 U.S.C. 2504(a)) is amended to read as follows:

''(a) Eligibility of general purpose local governments to compete for assistance under this title shall be based upon need as determined by the Secretary. Generally, eligible general purpose local governments shall include the following:

''(1) All political subdivisions of Metropolitan, Primary, or Consolidated Statistical Areas, as determined by the most recent Census.

''(2) Any other city, town, or group of cities or towns (or both) within such a Metropolitan Statistical Area, that has a total population of 50,000 or more as determined by the most recent Census.

''(3) Any other county, parish, or township with a total population of 250,000 or more as determined by the most recent Census.''.

SEC. 407. GRANTS.

Section 1006 (16 U.S.C. 2505) is amended—

(1) in subsection (a) by redesignating paragraph (3) as paragraph (4); and

(2) by striking so much as precedes subsection (a)(4) (as so redesignated) and inserting the following:

''GRANTS

''SEC. 1006. (a)(1) The Secretary may provide 70 percent matching grants for rehabilitation, development, acquisition, and innovation purposes to any eligible general purpose local government upon approval by the Secretary of an application submitted by the chief executive of such government.

''(2) At the discretion of such an applicant, a grant under this section may be transferred in whole or part to independent special purpose local governments, private nonprofit agencies, or county or regional park authorities, if—

''(A) such transfer is consistent with the approved application for the grant; and

''(B) the applicant provides assurance to the Secretary that the applicant will maintain public recreation opportunities at assisted areas and facilities in accordance with section 1010.

''(3) Payments may be made only for those rehabilitation, development, or innovation projects that have been approved by the Secretary. Such payments may be made from time to time in keeping with the rate of progress toward completion of a project, on a reimbursable basis.''.

SEC. 408. RECOVERY ACTION PROGRAMS.

Section 1007(a) (16 U.S.C. 2506(a)) is amended—

(1) in subsection (a) in the first sentence by inserting ''development,'' after ''commitments to ongoing planning,''; and

(2) in subsection (a)(2) by inserting ''development and'' after ''adequate planning for''.

SEC. 409. STATE ACTION INCENTIVES.

Section 1008 (16 U.S.C. 2507) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before the first sentence; and

(2) by striking the last sentence of subsection (a) (as designated by paragraph (1) of this section) and inserting the following:

''(b) COORDINATION WITH LAND AND WATER CONSERVATION FUND ACTIVITIES.—(1) The Secretary and general purpose local governments are encouraged to coordinate preparation of recovery action programs required by this title with State Plans or Agendas required under section 6 of the Land and Water Conservation Fund Act of 1965, including by allowing flexibility in preparation of recovery action programs so they may be used to meet State and local qualifications for local receipt of Land and Water Conservation Fund grants or State grants for similar purposes or for other conservation or recreation purposes.

''(2) The Secretary shall encourage States to consider the findings, priorities, strategies, and schedules included in the recovery action programs of their urban localities in preparation and updating of State plans in accordance with the public coordination and citizen consultation requirements of subsection 6(d) of the Land and Water Conservation Fund Act of 1965.''.

SEC. 410. CONVERSION OF RECREATION PROPERTY.

Section 1010 (16 U.S.C. 2509) is amended to read as follows:

''CONVERSION OF RECREATION PROPERTY

''SEC. 1010. (a)(1) No property developed, acquired, or rehabilitated under this title shall, without the approval of the Secretary, be converted to any purpose other than public recreation purposes.

''(2) Paragraph (1) shall apply to—

''(A) property developed with amounts provided under this title; and

''(B) the park, recreation, or conservation area of which the property is a part.

''(b)(1) The Secretary shall approve such conversion only if the grantee demonstrates no prudent or feasible alternative exists.

''(2) Paragraph (1) shall apply to property that is no longer a viable recreation facility due to changes in demographics or that must be abandoned because of environmental contamination which endangers public health or safety.

''(c) Any conversion must satisfy any conditions the Secretary considers necessary to assure substitution of other recreation property that is—

''(1) of at least equal fair market value, and reasonably equivalent usefulness and location; and

''(2) in accord with the current recreation recovery action program of the grantee.''.

SEC. 411. REPEAL.

Section 1015 (16 U.S.C. 2514) is repealed.

TITLE V—HISTORIC PRESERVATION FUND

SEC. 501. TREATMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.

Section 108 of the National Historic Preservation Act (16 U.S.C. 470h) is amended—

(1) by inserting ''(a)'' before the first sentence;

(2) in subsection (a) (as designated by paragraph (1) of this section) by striking all after the first sentence; and

(3) by adding at the end the following:

''(b) Amounts transferred to the Secretary under section 5(b)(5) of the Conservation and Reinvestment Act of 2000 in a fiscal year shall be deposited into the Fund and

shall be available without further appropriation to carry out this Act.

''(c) At least ½ of the funds obligated or expended each fiscal year under this Act shall be used in accordance with this Act for preservation projects on historic properties. In making such funds available, the Secretary shall give priority to the preservation of endangered historic properties.''.

SEC. 502. STATE USE OF HISTORIC PRESERVATION ASSISTANCE FOR NATIONAL HERITAGE AREAS AND CORRIDORS.

Title I of the National Historic Preservation Act (16 U.S.C. 470a and following) is amended by adding at the end the following:

''SEC. 114. STATE USE OF ASSISTANCE FOR NATIONAL HERITAGE AREAS AND CORRIDORS.

''In addition to other uses authorized by this Act, amounts provided to a State under this title may be used by the State to provide financial assistance to the management entity for any national heritage area or national heritage corridor established under the laws of the United States, to support cooperative historic preservation planning and development.''.

TITLE VI—FEDERAL AND INDIAN LANDS RESTORATION

SEC. 601. PURPOSE.

The purpose of this title is to provide a dedicated source of funding for a coordinated program on Federal and Indian lands to restore degraded lands, protect resources that are threatened with degradation, and protect public health and safety.

SEC. 602. TREATMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND; ALLOCATION.

(a) IN GENERAL.—Amounts transferred to the Secretary of the Interior and the Secretary of Agriculture under section 5(b)(6) of this Act in a fiscal year shall be available without further appropriation to carry out this title.

(b) ALLOCATION.—Amounts referred to in subsection (a) year shall be allocated and available as follows:

(1) DEPARTMENT OF THE INTERIOR.—60 percent shall be allocated and available to the Secretary of the Interior to carry out the purpose of this title on lands within the National Park System, lands within the National Wildlife Refuge System, and public lands administered by the Bureau of Land Management.

(2) DEPARTMENT OF AGRICULTURE.—30 percent shall be allocated and available to the Secretary of Agriculture to carry out the purpose of this title on lands within the National Forest System.

(3) INDIAN TRIBES.—10 percent shall be allocated and available to the Secretary of the Interior for competitive grants to qualified Indian tribes under section 603(b).

SEC. 603. AUTHORIZED USES OF TRANSFERRED AMOUNTS.

(a) IN GENERAL.—Funds made available to carry out this title shall be used solely for restoration of degraded lands, resource protection, maintenance activities related to resource protection, or protection of public health or safety.

(b) COMPETITIVE GRANTS TO INDIAN TRIBES.—

(1) GRANT AUTHORITY.—The Secretary of the Interior shall administer a competitive grant program for Indian tribes, giving priority to projects based upon the protection of significant resources, the severity of damages or threats to resources, and the protection of public health or safety.

(2) LIMITATION.—The amount received for a fiscal year by a single Indian tribe in the form of grants under this subsection may not exceed 10 percent of the total amount available for that fiscal year for grants under this subsection.

(c) PRIORITY LIST.—The Secretary of the Interior and the Secretary of Agriculture shall each establish priority lists for the use of funds available under this title. Each list shall give priority to projects based upon the protection of significant resources, the severity of damages or threats to resources, and the protection of public health or safety.

(d) COMPLIANCE WITH APPLICABLE PLANS.—Any project carried out on Federal lands with amounts provided under this title shall be carried out in accordance with all management plans that apply under Federal law to the lands.

(e) TRACKING RESULTS.—Not later than the end of the first full fiscal year for which funds are available under this title, the Secretary of the Interior and the Secretary of Agriculture shall jointly establish a coordinated program for—

(1) tracking the progress of activities carried out with amounts made available by this title; and

(2) determining the extent to which demonstrable results are being achieved by those activities.

SEC. 604. INDIAN TRIBE DEFINED.

In this title, the term ''Indian tribe'' means an Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior recognizes as an Indian tribe under section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a–1).

TITLE VII—FARMLAND PROTECTION PROGRAM AND ENDANGERED AND THREATENED SPECIES RECOVERY

Subtitle A—Farmland Protection Program

SEC. 701. ADDITIONAL FUNDING AND ADDITIONAL AUTHORITIES UNDER FARMLAND PROTECTION PROGRAM.

Section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 16 U.S.C. 3830 note) is amended to read as follows:

''SEC. 388. FARMLAND PROTECTION PROGRAM.

''(a) ESTABLISHMENT AND PURPOSE.—The Secretary of Agriculture shall carry out a farmland protection program for the purpose of protecting farm, ranch, and forest lands with prime, unique, or other productive uses by limiting the nonagricultural uses of the lands. Under the program, the Secretary may provide matching grants to eligible entities described in subsection (d) to facilitate their purchase of—

''(1) permanent conservation easements in such lands; or

''(2) conservation easements or other interests in such lands when the lands are subject to a pending offer from a State or local government.

''(b) CONSERVATION PLAN.—Any highly erodible land for which a conservation easement or other interest is purchased using funds made available under this section shall be subject to the requirements of a conservation plan that requires, at the option of the Secretary of Agriculture, the conversion of the cropland to less intensive uses.

''(c) MAXIMUM FEDERAL SHARE.—The Federal share of the cost of purchasing a conservation easement described in subsection (a)(1) may not exceed 50 percent of the total cost of purchasing the easement.

''(d) ELIGIBLE ENTITY DEFINED.—In this section, the term 'eligible entity' means any of the following:

''(1) An agency of a State or local government.

''(2) A federally recognized Indian tribe.

''(3) Any organization that is organized for, and at all times since its formation has been operated principally for, one or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986 and—

''(A) is described in section 501(c)(3) of the Code;

''(B) is exempt from taxation under section 501(a) of the Code; and

''(C) is described in paragraph (2) of section 509(a) of the Code, or paragraph (3) of such section, but is controlled by an organization described in paragraph (2) of such section.

''(e) TITLE; ENFORCEMENT.—Any eligible entity may hold title to a conservation easement purchased using grant funds provided under subsection (a)(1) and enforce the conservation requirements of the easement.

''(f) STATE CERTIFICATION.—As a condition of the receipt by an eligible entity of a grant under subsection (a)(1), the attorney general of the State in which the conservation easement is to be purchased using the grant funds shall certify that the conservation easement to be purchased is in a form that is sufficient, under the laws of the State, to achieve the purposes of the farmland protection program and the terms and conditions of the grant.

''(g) TECHNICAL ASSISTANCE.—To provide technical assistance to carry out this section, the Secretary of Agriculture may not use more than 10 percent of the amount made available for any fiscal year under section 702 of the Conservation and Reinvestment Act of 2000.''.

SEC. 702. FUNDING.

(a) AVAILABILITY.—Amounts transferred to the Secretary of Agriculture under section 5(b)(7) of this Act in a fiscal year shall be available to the Secretary of Agriculture, without further appropriation, to carry out—

(1) the farmland protection program under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 16 U.S.C. 3830 note), and

(2) the Forest Legacy Program under section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103c).

(b) MINIMUM ALLOCATION.—Not less than 10 percent of the amounts transferred to the Secretary of Agriculture under section 5(b)(7) of this Act in a fiscal year shall be used for each of the programs referred to in paragraphs (1) and (2) of subsection (a).

Subtitle B—Endangered and Threatened Species Recovery

SEC. 711. PURPOSES.

The purposes of this subtitle are the following:

(1) To provide a dedicated source of funding to the United States Fish and Wildlife Service and the National Marine Fisheries Service for the purpose of implementing an incentives program to promote the recovery of endangered species and threatened species and the habitat upon which they depend.

(2) To promote greater involvement by non-Federal entities in the recovery of the Nation's endangered species and threatened species and the habitat upon which they depend.

SEC. 712. TREATMENT OF AMOUNTS TRANSFERRED FROM CONSERVATION AND REINVESTMENT ACT FUND.

Amounts transferred to the Secretary of the Interior under section 5(b)(8) of this Act in a fiscal year shall be available to the Secretary of the Interior without further appropriation to carry out this subtitle.

SEC. 713. ENDANGERED AND THREATENED SPECIES RECOVERY ASSISTANCE.

(a) FINANCIAL ASSISTANCE.—The Secretary may use amounts made available under section 712 to provide financial assistance to any person for development and implementation of Endangered and Threatened Species Recovery Agreements entered into by the Secretary under section 714.

(b) PRIORITY.—In providing assistance under this section, the Secretary shall give priority to the development and implementation of species recovery agreements that—

(1) implement actions identified under recovery plans approved by the Secretary under section 4(f) of the Endangered Species Act of 1973 (16 U.S.C. 1533(f));

(2) have the greatest potential for contributing to the recovery of an endangered or threatened species; and

(3) to the extent practicable, require use of the assistance on land owned by a small landowner.

(c) PROHIBITION ON ASSISTANCE FOR REQUIRED ACTIVITIES.—The Secretary may not provide financial assistance under this section for any action that is required by a permit issued under section 10(a)(1)(B) of the Endangered Species Act of 1973 (16 U.S.C. 1539(a)(1)(B)) or an incidental take statement issued under section 7 of that Act (16 U.S.C. 1536), or that is otherwise required under that Act or any other Federal law.

(d) PAYMENTS UNDER OTHER PROGRAMS.—

(1) OTHER PAYMENTS NOT AFFECTED.—Financial assistance provided to a person under this section shall be in addition to, and shall not affect, the total amount of payments that the person is otherwise eligible to receive under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 and following), the wetlands reserve program established under subchapter C of that chapter (16 U.S.C. 3837 and following), or the Wildlife Habitat Incentives Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a).

(2) LIMITATION.—A person may not receive financial assistance under this section to carry out activities under a species recovery agreement in addition to payments under the programs referred to in paragraph (1) made for the same activities, if the terms of the species recovery agreement do not require financial or management obligations by the person in addition to any such obligations of the person under such programs.

SEC. 714. ENDANGERED AND THREATENED SPECIES RECOVERY AGREEMENTS.

(a) IN GENERAL.—The Secretary may enter into Endangered and Threatened Species Recovery Agreements for purposes of this subtitle in accordance with this section.

(b) REQUIRED TERMS.—The Secretary shall include in each species recovery agreement provisions that—

(1) require the person—

(A) to carry out on real property owned or leased by the person activities not otherwise required by law that contribute to the recovery of an endangered or threatened species;

(B) to refrain from carrying out on real property owned or leased by the person otherwise lawful activities that would inhibit the recovery of an endangered or threatened species; or

(C) to do any combination of subparagraphs (A) and (B);

(2) describe the real property referred to in paragraph (1)(A) and (B) (as applicable);

(3) specify species recovery goals for the agreement, and measures for attaining such goals;

(4) require the person to make measurable progress each year in achieving those goals, including a schedule for implementation of the agreement;

(5) specify actions to be taken by the Secretary or the person (or both) to monitor the effectiveness of the agreement in attaining those recovery goals;

(6) require the person to notify the Secretary if—

(A) any right or obligation of the person under the agreement is assigned to any other person; or

(B) any term of the agreement is breached by the person or any other person to whom is assigned a right or obligation of the person under the agreement;

(7) specify the date on which the agreement takes effect and the period of time during which the agreement shall remain in effect;

(8) provide that the agreement shall not be in effect on and after any date on which the Secretary publishes a certification by the Secretary that the person has not complied with the agreement; and

(9) allocate financial assistance provided under this subtitle for implementation of the agreement, on an annual or other basis during the period the agreement is in effect based on the schedule for implementation required under paragraph (4).

(c) REVIEW AND APPROVAL OF PROPOSED AGREEMENTS.—Upon submission by any person of a proposed species recovery agreement under this section, the Secretary—

(1) shall review the proposed agreement and determine whether it complies with the requirements of this section and will contribute to the recovery of endangered or threatened species that are the subject of the proposed agreement;

(2) propose to the person any additional provisions necessary for the agreement to comply with this section; and

(3) if the Secretary determines that the agreement complies with the requirements of this section, shall approve and enter with the person into the agreement.

(d) MONITORING IMPLEMENTATION OF AGREEMENTS.—The Secretary shall—

(1) periodically monitor the implementation of each species recovery agreement entered into by the Secretary under this section; and

(2) based on the information obtained from that monitoring, annually or otherwise disburse financial assistance under this subtitle to implement the agreement as the Secretary determines is appropriate under the terms of the agreement.

SEC. 715. DEFINITIONS.

In this subtitle:

(1) ENDANGERED OR THREATENED SPECIES.—The term ''endangered or threatened species'' means any species that is listed as an endangered species or threatened species under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior or the Secretary of Commerce, in accordance with section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532).

(3) SMALL LANDOWNER.—The term ''small landowner'' means an individual who owns 50 acres or fewer of land.

(4) SPECIES RECOVERY AGREEMENT.—The term ''species recovery agreement'' means an Endangered and Threatened Species Recovery Agreement entered into by the Secretary under section 714.